

K 7182

DOCKET NO.

In the Matter of

IN THE MATTER OF THE FILING BY  
MIDAMERICAN ENERGY COMPANY  
FOR APPROVAL OF ITS 2000  
ECONOMIC DEVELOPMENT REPORT  
AND ITS 2001 ECONOMIC  
DEVELOPMENT PLAN

## Public Utilities Commission of the State of South Dakota

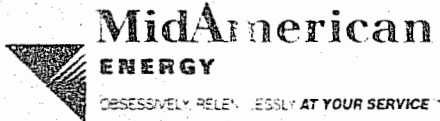
DATE \_\_\_\_\_

MEMORANDA

1/4	01	File and Deckled;
1/11	01	Key by Filings;
3/9	01	Index Copying 2000 Ceramic Development Plan;
3/9	01	Doc. it Closed. Development Report and 2001 Ceramic

120 pgs.

NG01-001



MidAmerican Energy  
101 Douglas Street  
Sioux Falls, South Dakota  
605.336.1000  
www.midamericanelectric.com

Suzan M. Stewart  
Senior Managing Attorney

December 29, 2000

Mr. William Bullard, Jr.  
Executive Secretary  
South Dakota Public Utilities Commission  
State Capitol Building  
500 East Capitol Avenue  
Pierre, SD 57501

**RECEIVED**

JAN 04 2001

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**

Dear Mr. Bullard:

In accordance with Docket No. NG95-019, enclosed please find the original and 11 copies of MidAmerican Energy Company's report on 2000 economic development activities. Please file stamp one copy and return in the enclosed self-addressed stamped envelope.

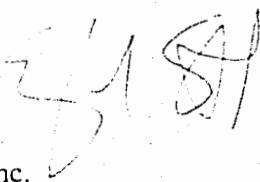
During 2000, our Company continued its commitment to economic development by working directly with and on behalf of communities in our South Dakota service territory. The economy of this area remained strong during the year because of the continuing efforts of state and local leadership and the state's positive business climate.

Our 2000 economic development report is organized into eight sections, as shown in the table of contents. Our actual expenditures are found in the first section. Our 2001 proposed budget is found in the final section.

We respectfully request approval of our 2000 report and our 2001 economic development budget.

If you have any questions, please let me know.

Very truly yours,

  
Enc.

**SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

**MIDAMERICAN ENERGY COMPANY**

**SOUTH DAKOTA**

**Partners In  
Change....**

**Partners In  
Success**

**Report to the Commission**

**2000 Economic Development Activities**

**Proposed 2001 Budget for Economic Development Activities**

**December 30, 2000**

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MIDAMERICAN ENERGY COMPANY  
SOUTH DAKOTA  
2000 ECONOMIC DEVELOPMENT  
ACTUAL EXPENDITURES

Development Group Support

Forward Sioux Falls .....	\$12,000
Yankton Area Progressive Growth .....	3,000
Siouxland Initiative .....	1,500
Vermillion Development Co. ....	1,000
Sioux Falls Development Foundation .....	850
Minnehaha County Economic Development Association (MCEDA) .....	3,500
(Includes community development support for: Baltic, Brandon, Colton, Dell Rapids and Hartford)	
Lincoln County Economic Development Association (LCEDA) .....	3,500
(Includes community development support for: Beresford, Canton, Harrisburg, Lennox, Tea and Worthing)	

Individual Community Development Support:

Alcester Development Corp .....	\$200
Centerville Development Corp.....	200
Elk Point Gold Program .....	200
Flandreau Improvement Corp .....	200
Jefferson Development Corp.....	200
Montrose Development Corp .....	200
North Sioux City Development Corp.....	200
Salem Development Corp .....	200

Program Subtotal ..... 1,600

Economic Assistance Programs

Gold Community Achievement Awards Program ..... 1,500

Business Attraction Incentives

Allocation of trade show expenses on behalf of South Dakota communities for National Plastics Expo and FabTech International.....	534
Marketing assistance for available industrial building at Yankton .....	3,485
Allocation of travel and associated expenses for MEC developers working with and/or on behalf of South Dakota communities .....	4,599

**TOTAL ACTUAL EXPENDITURES**

**\$37,068**

MIDAMERICAN ENERGY COMPANY  
SOUTH DAKOTA  
2000 ECONOMIC DEVELOPMENT  
ACTUAL EXPENDITURES

Proposed 2000 Budget

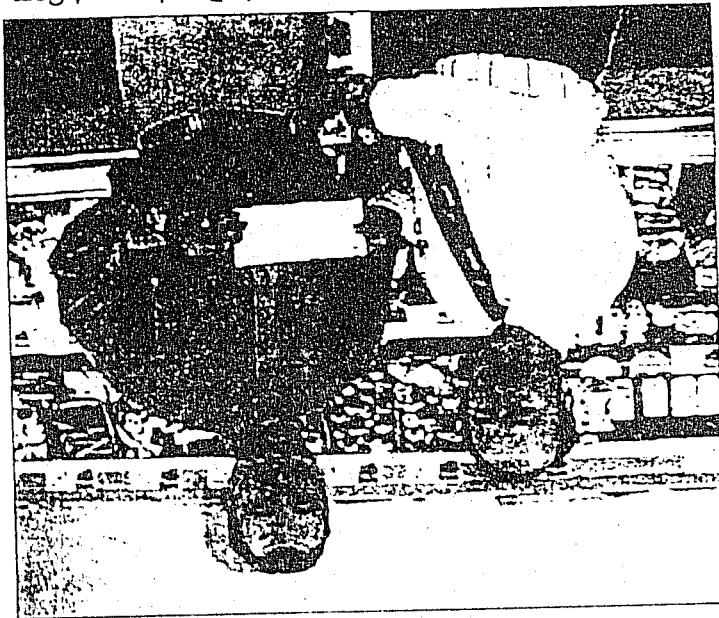
Allocation for 2000 ..... \$35,000

Request For Approval

Actual Economic Development Expenditures for 2000..... 37,068  
Less expenses incurred by MEC over and above Proposed Budget ..... ( 2,068)

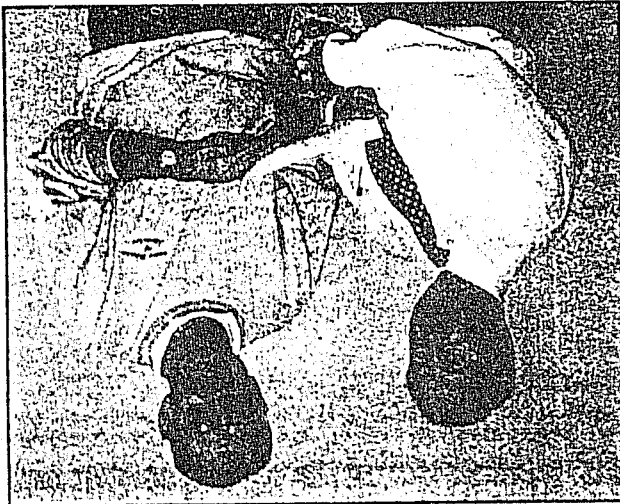
**ACTUAL 2000 EXPENDITURES REQUESTED FOR SDPUC APPROVAL** \$35,000

# Economic Development receives donation from MidAmerican Energy



Mike VerVey of the Centerville Economic Development Committee, receives a \$200 contribution from Mark Rodvold, Community Development Consultant for MidAmerican Energy. "MidAmerican Energy truly appreciates the local initiative to improve their community. Active community organizations are critical for us to identify local opportunities for business growth. We want to recognize this partnership with funds to assist in meeting locally defined development needs," Rodvold said.

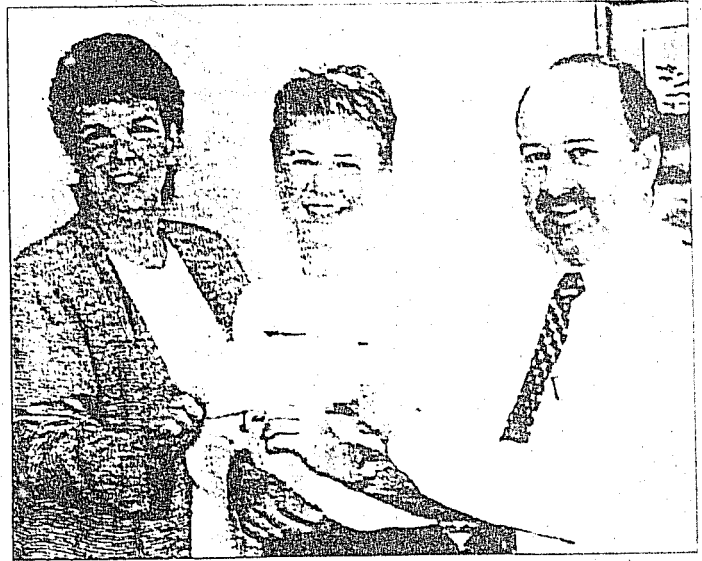
# Alcester Development Company receives contribution from MidAmerican Energy



Owen Buum (right), a board member of the Alcester Development Company, received a \$200 contribution from Mark Rodvold, Community Development Consultant for MidAmerican Energy. "MidAmerican Energy truly appreciates the local initiative to improve the Alcester Community. Active community organizations are critical for us to identify local opportunities for business growth. We want to recognize this partnership with funds to assist in meeting locally defined development needs," Rodvold said.



Rodvold presents a donation to North Sioux City Mayor Liesel Hallwas, center, and Sue Harlan, representing the North Sioux City Economic Development Corporation.



MidAmerican Energy Community Development Consultant Mark Rodvold, right, presents a contribution to Valere Beeck and Joyce Bortscheiler representing Elk Point GOLD Committee



Rodvold presents a donation to Jerry Trudeau of the Jefferson Economic Development Corporation.

## MidAmerican presents contributions

MidAmerican Energy Company has presented its annual community development donations to organizations in Elk Point, Jefferson and North Sioux City.

The \$200 contributions to the communities were given out by

Mark Rodvold, Community Development Consultant for the company.

"MidAmerican Energy truly appreciates the local initiative to improve the three communities. Active community organizations are critical for us to identify local opportunities for business growth. We want to recognize this partnership with funds to assist in meeting locally defined development needs," Rodvold said.



Julia Curry and Valere Beeck, center, received a \$650 Beautification, Enhancement and Community Promotion Award for Heritage Park in Elk Point during the 1999 GOLD Community Achievement Awards ceremony, held April 7, in Pierre. Others pictured are, from left, Mark Rodvold,

MidAmerican Energy Company; Richard Benda, GOED; Kevin Magstadt, Montana Dakota Utilities; Dave Behle, Rushmore Electric Power Cooperative, and Brian Boyer, West River Electric Association.

## ***Elk Point wins GOLD achievement award***

Elk Point was one of nine communities that went home with a total of \$10,000 in prizes following the presentation of the GOLD Awards at the Governor's Economic Development Conference held April 7, in Pierre.

In the Beautification, Enhancement & Community Promotions category, Elk Point received a \$650 prize for its cleanup efforts at Heritage Park and the addition of a Secret Garden.

Valere Beeck, the coordinator of the Elk Point GOLD program, said the Elk Point Garden Club did most of the organizing and work on the project. The award will go to the Garden Club for further work in Heritage Park.

One of the projects the Garden Club will be working on will be a bridge to span a small ditch on the walking trail. The bridge was washed out after heavy rains last year.

Edgemont won a \$2,000 prize in the category and Centerville won a second \$650 prize.

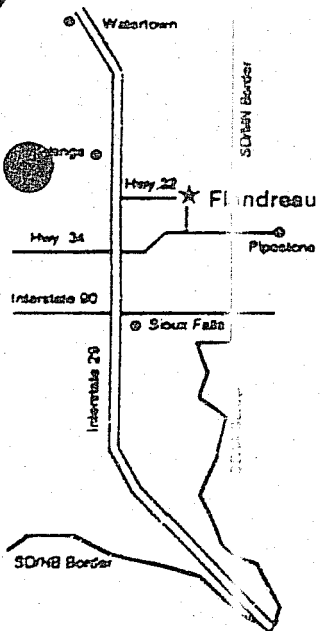
The awards program, a friendly competition between South Dakota GOLD communities, focuses on individual project accomplishments for the past year. The cash prizes were donated by MidAmerican Energy, East River Electric Power Cooperative, Black Hills Power and Light, Northern States Power Company, Northwestern Public Service Company, Otter Tail Power Company, Montana-Dakota Utilities Company, Rushmore Electric Power Cooperative, and West River Electric Association.

In another award, Governor Janklow recognized Stan Schmiedt of Centerville as the winner of the Excellence in Economic Development Award, an award to recognize an outstand-

ing volunteer in the area of economic development. Schmiedt is the father of Barb Wurtz of Elk Point.



Denise Erickson (left) of Montrose Improvement Corp (Gold Committee) receives a \$200 contribution from Mark Rodvold, Community Development Consultant for MidAmerican Energy. "MidAmerican Energy truly appreciates the local initiative to improve Montrose. Active community organizations are critical for us to identify local opportunities for business growth. We want to recognize this partnership with funds to assist in meeting locally defined development needs," Rodvold said.



## Flandreau Improvement Corporation

PO Box 342  
Flandreau, SD 57028-0342  
(605) 997-2353

April 17, 2000

Glen Ivarsen  
MidAmerican Energy Company  
PO Box 778  
Sioux City, IA 51101-0778

Dear Friends,

The Flandreau Development Corporation / Civic and Commerce would like to say a big Thank-You for selecting our Looking Fine by '99 project to beautify Flandreau for the all school reunion.

It is always special to a community to be recognized for the special efforts that it puts forth.

We plan on using the prize money to purchase an Industrial Park sign to be placed on the corner of the park near the west entrance of Flandreau. It will spruce up that corner, and identify the park's location. We have wanted to do that for a couple of years, but lacked the funds.

Again, we thank you for your generosity.

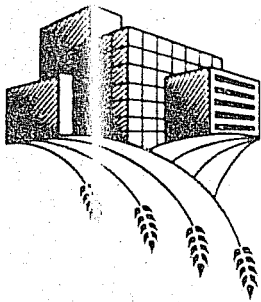
*Arlyce Dardall*

Sincerely,

Arlyce Dardall, Administrative Assistant FDC/C&C

*An organization dedicated to the betterment of Flandreau*





**MCEDA**

***Minnehaha County Economic Development Association***

*in cooperation with the*

***Sioux Falls Development Foundation***

*PO Box 907, Sioux Falls, SD 57101-0907*

*Phone: (605) 339-0103 • Fax: (605) 339-0055*

January 27, 2000

Glenn Ivarsen  
MidAmerican Energy  
PO Box 778  
Sioux City, SD 51102

Dear Glenn:

On behalf of the Board of Directors for the Minnehaha County Economic Development Association I am pleased to provide you with a copy of our 1999 Annual Report. It has been my pleasure to lead a dedicated board of volunteers who sincerely care about the growth and development of our county.

The past year has been marked by an increased awareness of how important planned development and expanding our partnerships are in successfully meeting our mission of responsible economic development. In the upcoming year, expect to hear more about these partnerships as we expand our horizons to work more closely with our sister association in Lincoln County.

As our valued investor I want to thank you for your on-going support of the Minnehaha County Economic Development Association. Your vision and leadership has been instrumental in our success. Should you ever have any questions, please contact any of the board members or our executive director, Jeff Eckhoff.

Sincerely,

Marvin Wieman, President  
Minnehaha County Economic Development Association

enclosure

*Representing Economic Development In:*

*Baltic • Brandon • Colton • Crooks • Dell Rapids • Garretson • Hartford • Humboldt • Sherman • Valley Springs*

## Developments

5 Million Facility - 367 Stalls  
Bison, 12,000 Square Foot

dion, 30,000 Square Feet of  
he Arena to host Professional

Nature Area  
campaign, 61,000 Square Foot  
building, New Center for  
tion of the Mortenson Center  
erted former Irving School  
0,000

ion Renovation, 9 Luxury  
nd 3,000 Square Foot Home  
Facility, 7,000 Square Foot  
ea  
ighborhood Park at the former

ow  
\$2.25 Million Development  
r Recreational Facilities  
n, 15 Acre African Savannah  
New Entrance & Gift Shop  
ment - 300 Affordable  
fation Roads  
New Facility  
in - New facility to serve 72  
use offices for the organization  
\$1.8 Million, 14 acre

ference Center - 300-acre  
ecumenical cemetery and  
us with a chapel, gym, family  
center with meeting rooms  
house - \$1.2 Million, 9,500  
een the Orpheum Theatre and

trict - \$14.7 Million in  
jects  
& Regents University Center -  
re foot building addition  
Million, Administrative,  
Complex for the DOT,  
Fish & Parks Departments  
.5 Million Glidden Martin  
lion Cleveland Professional  
illion, 15,000 Square Foot  
n  
se II - 44,000 Square Foot  
e a Specialty Unit for those  
mer's, 16 Additional  
Living Homes, Parking Garage

*The Board of Directors and Staff of the  
Sioux Falls Development Foundation  
thank you for your continued support of  
our organization and efforts.*



**Sioux Falls Development Foundation**

P.O. Box 907  
Sioux Falls, SD 57101  
605-339-0103

*Putting It All  
Together*

**Sioux Falls  
Development Foundation**

## & Warehouse mpments

andity will house office  
se operations for Apex  
is located in Sioux Empire

aid a 45,000 square foot  
a new distribution center and  
The expense represents an

and affiliated companies  
riety in Sioux Empire

4 million, 60,000 square foot  
50 new jobs. CCI invested an  
quipment

in the process of construct-  
acility to provide room for  
their new facility is located at  
port Avenue

sd into a new 11,500 square  
ed and 1,229 in Myrl & Roy's

new 23,500 square foot  
A Empire Development Park

ded a \$2,500 square foot  
Byrl & Roy's Development Park

facility is home to **Qualified**  
is located in Sioux Empire

ts, a new cabinet manufacturer,  
0 square foot facility in the  
The company plans to hire up  
e 75

lists added a new 8,000 square  
ex for their expanding business

less of constructing a 120,000  
tribution center in the Bedford  
6 million facility will also  
employ a total of 25 people

## Office, Commercial & Medical Developments

**Ace Hardware** recently opened a new 10,000 square foot store at 10th and Second Avenue. The store will employ 15 workers.

**Avera Health** is constructing a new 40,000 square foot medical headquarters facility on 10th and Second Avenue. The new facility will employ between 100 and 150 people. Construction is under way on a 100,000 square foot addition to the center on the hospital campus.

**Business Microvar Inc.** is expanding its operations in Sioux Falls. The company, which specializes in micro-varianing technology, is currently in the process of constructing a new facility to house its operations. The new facility will house 100 employees.

**Capital Card Services** plans to expand its operations in the near future. The company is currently in the process of constructing a new facility to house its operations. The new facility will house 100 employees.

**Children's Care Hospital & School** recently opened a new hospital wing to provide additional room for patients.

**Communication Services for the Deaf** is expanding its administrative complex by 10,000 square feet. The expansion will house 20 new offices.

**Dakota Auto Parts** recently constructed a new facility by opening a new 20,000 square foot store at 10th Street and 11th Avenue.

**First National Bank South Dakota** will lease 10,000 square feet of space in a building located in Myrl & Roy's Development Park. The new facility will house a back office operations processing center.

Construction began in July on the **Granite City Food & Brewery** located in the Meadows on the River area.

A new state-of-the-art 340 million, 30 bed specialty hospital at 6th Street and Fourth Avenue is currently under construction. **Heart Hospital of South Dakota**, the joint venture between Avera McKennan Hospital, South Central Heart and Medical Center, is scheduled for completion in late 2001. The 125,000 square foot hospital will employ 250 medical professionals and support staff. A \$1.5 million **Heart Clinic** is under construction adjacent to the new Hospital.

**Henkin Schultz** is in the process of constructing a three-story, 9,000 square foot facility at 6th and Western. The new facility, representing a \$1.2 million investment, will be completed by March of 2001.

A 100,000 square foot **Home Depot** is nearing completion in the Meadows on the River development. The store is scheduled to open in the spring of early next year and will employ 150.

A new 100,000 square foot **Home Sweet Suites Hotel** is being constructed in the new Heart Hospital on Fourth Avenue. The 100,000 square foot hotel is scheduled for completion in July of 2001.

**Hy-Vee Food Stores** opened a 100,000 square foot store at 20th and Missouri and is employing 150. Construction continues on another 100,000 square foot facility on East 10th Street which will open in the winter, employing 100.

**McLeod USA** completed construction on two, 50,000 square foot office buildings. The new facilities are located in the Riverfront Crossing Business Park and will house 200 employees.

**Minwest Bank** is constructing a 1,765 facility at the corner of 10th and Fourth Avenue. The new bank will employ six and is scheduled for completion this month.

**The CCI Common Company** completed a new office/warehouse complex in Sioux Empire Development Park IV.

**Paytrust** expanded to Sioux Falls and opened for business in a new 17,000 square foot facility in the Meadows on the River development. Paytrust plans to create 500 jobs within a year.

Construction continues on the \$10 million **Prairie Tree Office Park** complex. Construction began in 1999 on the first of four buildings and will take four years to complete. The buildings will range from 10,000 to 100,000 square feet and occupy a 7-acre site.

**Precision Computer** is constructing an additional 12,000 square foot building to house their expanding bank software business. Precision Computer is located in the Valhalla Business & Technology Park.

A new 81,000 square foot, six story business complex is under construction at 10th Street and Second Avenue at a cost of \$2.1 million. The **River Centre** complex is scheduled for completion in 2001.

**RevoNet** expanded their operations from Yankton to Sioux Falls creating 40 new jobs. RevoNet occupies space in downtown Sioux Falls as well as in the Park II Business Center located in Sioux Empire Development Park II.

**River Market Center**, a 36,000 square foot office facility will be constructed in the Meadows on the River development.

**Andreas Development** is constructing a 40,000 square foot office facility in Sioux Empire Development Park IV. The **Sioux Falls Corporate Centre** will be completed in February of 2001.

Work continues on the **South Dakota** dollar campus. The campus is completed and is a 42,000 square foot Center with an underground parking lot and an underground parking lot. The new 110,000 square foot building, an addition to the Medical Building, began this month. The Center and

**South Dakota** 189,000 square foot and 190,000 square foot. In addition, the Mall by 45.

**DAL Inc.** is a company for Household in Sioux Falls.

**Wells Fargo** Technology Park III, 17,000 square feet for new jobs.

**Well's Fargo** plans to add help hand.

**Abercrombie** Electric, A Business Services of Food Court Century Bank of the expansion Funeral Home Restaurant Pottery, C Building, Schooner Office Center Mall, Val

Space con

# Forward Sioux Falls

*Into The Next Century*

## INVESTOR REPORT

VOLUME NUMBER 4

SEPTEMBER 2000

### Technology forum opens dialog on high-tech needs

The Forward Sioux Falls Technology Forum was convened to update business leaders about the activities in the high tech arena during the past year. Forward Sioux Falls chairman Fred Slunecka welcomed the group and set the stage for the report, which focused on the recent technology survey. The survey helped to establish three high-tech goals, based on the input of business leaders and will enable the community to remain a significant player in the new global economy, according to Slunecka. The goals are to:

- Establish a training center and business park to assist and attract high-tech companies.

- Create an incubator facility that will provide reduced-cost business services to help high-tech business ventures get started.

- Promote Sioux Falls more aggressively to high-tech employers in other communities.

Rich Naser, Technology and Communications director for Forward Sioux Falls, gave a report on current changes to the web-sites, including [siouxfalls.com](http://siouxfalls.com), and spoke about the work of the



Forward Sioux Falls Technology And Communications Director Rich Naser

Technology Committee in partnership with local high tech industry.

Following Naser's report, the chair opened the meeting for discussion and recommendations from the floor. The discussion focused on goals and ideas for the future, with the importance of technology to the success of economic development stressed by all. Several concepts emerged which will be developed by staff and discussed further by the Technology Committee.

"This meeting was a continuation of our listening sessions this summer," said Chairman Slunecka. "Sounding out our investors and determining our direction for the future is an integral part of Forward Sioux Falls and a critical step for the future of this community."

■ ■ ■ ■ ■

### CHAMBER PLANNING SESSION EXPLORES THE FUTURE

*F*

Forward Sioux Falls Chamber of Commerce President Dan Scott, President of the Chamber of Commerce, welcomed the group and set the stage for the report, which focused on the recent technology survey. The survey helped to establish three high-tech goals, based on the input of business leaders and will enable the community to remain a significant player in the new global economy, according to Slunecka. The goals are to:

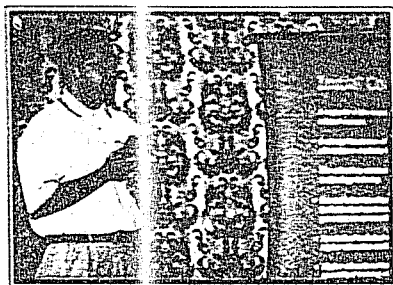


Forward Sioux Falls Chamber of Commerce President Dan Scott



Continued from page 1...

The Chamber's planning day included briefings from Sioux Falls mayor Gary Hanson and Brandon mayor Mike Schultz, Minnehaha and Lincoln county commissioners and representatives of the Sioux Falls, Brandon and Harrisburg school districts. Chamber chair-elect Cathy Clark led the sessions, which also featured reports from the Chamber's departments. Former Forward Sioux Falls chairman Gary Olson facilitated the Strategic Planning portion of the day-long retreat, with an identification of issues, input by the group assembled and a consensus of 2000-2001 priorities for the Chamber. The day concluded with a regional community leadership reception.



Joe Zueger represented the Technology Committee at the Chamber planning session.

## Conventions, performances and exhibitions:

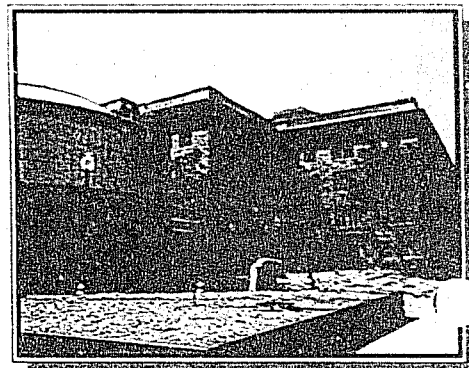
### ITS MORE THAN ENTERTAINMENT

Quality of life issues continue to play a part in Forward Sioux Falls—and in the successful promotion and growth of our community. Economic development as often follows recreation and cultural opportunities as it does affordable land and a favorable tax base.

We can look with pride on the quality of life successes of Sioux Falls, especially the strong response throughout the region to the Convention Center and the Washington Pavilion of Arts & Science. Both have amply justified the support of our community. The Convention Center continues to be booked week after week, and the Pavilion has, in its first year of operation, become a well-known destination for visitors—and a favorite event location for local residents.

From Broadway shows to beloved comedians to award winning jazz combos, the Pavilion's Great Hall has proven itself to audiences. And the Kirby Science Discovery Center has pleased and amazed families from throughout the Midwest with its world-class displays and exhibits. The Visual Arts Center has mounted acclaimed exhibitions and the Wells Fargo Cinedome keeps family audiences gasping with its astounding films.

Forward Sioux Falls has been involved in ensuring that living and working in Sioux Falls will always include opportunities like those available at the Washington Pavilion. It's a vital part of making this community the best place in America to raise a family—or a business.



## WORKFORCE DEVELOPMENT UPDATE:

radio and television targets young adults

With school starting and everyone getting back to business after the summer, the Workforce Development Council is going after college students and young adults throughout our region. A series of radio spots reminds young workers that career opportunities abound in Sioux Falls and encourages the computer-savvy younger generation to check us out at [opportunitysf.com](http://opportunitysf.com).

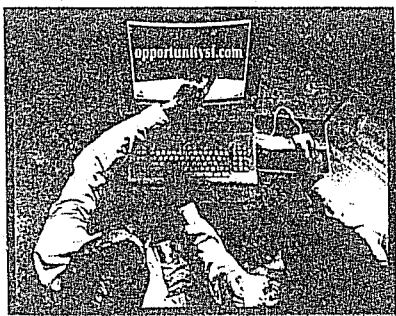
"In addition to underscoring the chance for earn-as-you-learn job connections right now," said Mary Medema, Workforce Development Director, "the radio commercials point out the long-term career opportunities in Sioux Falls. We want these educated, motivated young people to join our workforce

now, and when they complete their education."

To further call attention to these, immediate and long-term career options in Sioux Falls, the Workforce Development Council has authorized the placement of print ads in college

newspapers serving the universities within easy commuting distance of Sioux Falls. Ads will run in the fall issues of school papers at South Dakota State University in Brookings, Dakota State University in Madison and the University of South Dakota in Vermillion.

"The ads carry the theme *Welcome to your future*," Medema said. "We want students to understand that when they think about their future careers, they need only remember Sioux Falls. We have the jobs they are training for right now. Many of our employers are actively recruiting these college students. We want them to log onto [opportunitysf.com](http://opportunitysf.com) and make those job connections."



# Annual meeting highlights housing accomplishments

Sioux Empire Housing Partnership recently held its annual meeting at the Holiday Inn City Centre. One of the highlights of the meeting was the conferring of Friends of Affordable Housing Awards to those who have contributed to the group during the past year.

"We've experienced an outpouring of support and active participation," said Jim Schmidt, executive director of SEHP. "The only way we could have achieved so much, from the Green Hills neighborhoods to the new Lacey Park development to our neighborhood rehabs, is to have people working shoulder to shoulder with us."

Applauding the programs and effectiveness of the Sioux Falls group was featured speaker Bob Kucab, president of the National Housing Development Authority and executive director of the North Carolina Housing Finance Agency. Kucab outlined the elements for a successful affordable housing effort and discussed the current state of housing in America.

Providing a summary of recent accomplishments of SEHP was past president Shirleen Ranschau. Current president Bill Farley projected one year ahead, giving the large crowd in the International Room a breakout of the programs on the SEHP docket for 2001.

Special thanks were accorded the Sioux Falls realtors

for their cooperation and assistance in moving families into the new neighborhoods at Green Hills and Lacey Park. Also singled out for praise were members of the local banking community, prime supporters of SEHP programs.

Winners of the Friends of Affordable Housing Award included Tom Costello and Costello Companies; Dan Scott, Sioux Falls Development Foundation; Avera McKennan Hospital; Northern States Power; Sioux Merchant Patrol and Stencil Construction.



Among the people receiving awards at the annual meeting were Dan Scott, Gary Molzen, Joel Healy, Kay Sickler and Sister Mary Yeager.

## Now that we're on top, no one wants to go backward

### CHAIRMAN'S REPORT



By Fred Slunecka

As you are aware, I report on the issues of *Forward Sioux Falls* and the progress of the program. It is a pleasure to report that we are now on top. We have achieved our goal of creating a new, vibrant, and most affordable metropolitan area. The reasons for the success of our program are the partnership and the partnership.

These are the reasons why *Forward Sioux Falls* has been so successful. Our community and the local business and industry have been the driving force behind our success. We have a new vision for our community and a new sense of purpose. Our business community has leadership and vision. Our community is now on top. We are now on top. We are now on top.

The partnership of persistence and partnership, which make *Forward Sioux Falls* work, have shown results. We have seen results in our marketing campaigns, where through new businesses to town. We've seen results in our affordable housing efforts, responsible for creating new neighborhoods and building attractive, affordable apartments. In workforce development, Sioux Falls is setting the standard for innovative, effective programs. And our technology initiatives are making sure that we are leaders in the Information Age.

At this point, we don't want to go backward. No one in Sioux Falls wants to return to the days of uncertainty, fragmentation and economic stagnation. Recently *Forward Sioux Falls - Into The Next Century* began a survey of our investors, measuring their satisfaction with the program and determining the new challenges faced by our community. The results of this survey will be released in the coming months. In the meantime, be assured that we continue to look ahead, ready to continue the momentum of progress and maintain the success of *Sioux Falls*.



# VIEWPOINT

By Dan Scott and Brian Miller

## Sioux Falls tops other communities in Fed Reserve district

A recent study of communities in the ninth Federal Reserve district proved again that Sioux Falls is still leading the pack. The Fed ranked all the cities in the district, including Minneapolis-St. Paul, in a number of categories. These categories are a yardstick of economic strength—and Sioux Falls is at or near the top in all categories.

To take just one example, the metropolitan gross product for Sioux Falls is larger than the countries of Latvia, Nepal, Angola and Cambodia. In addition, the Federal Reserve Bank of Minneapolis ranked the Sioux Falls gross product—at **\$7.4 billion**—higher than every other city in the district except Minneapolis-St. Paul. Other metropolitan gross products, by comparison, include Duluth-Superior with \$7.1 billion, Fargo-Moorhead and St. Cloud at \$5.4 billion and Rochester registering \$4.7 billion in gross product.

In addition, **Sioux Falls ranked first in productivity—at \$45,348 gross product per capita.** That's significantly above the second ranked community, Rochester, at

\$40,178 in gross product per capita. The Twin Cities per capita gross product is \$33,889.

Other high rankings from the Federal Reserve district office include the fact that housing unit authorizations in Sioux Falls rose by **616% in the first quarter of 2000.** Our percentage of housing starts was greater than the combined increases of Eau Claire, Fargo-Moorhead, Duluth-Superior, Rapid City, Billings and LaCrosse—a total urban population of nearly a half million.

According to a nationwide survey conducted by Coldwell-Banker, Sioux Falls is also one of the most affordable places in which to buy a home. The survey used a relocation price index which allowed for city-to-city comparisons on a 2,200 square foot, four bedroom, two bath home with a double garage. Such a home in Sioux Falls costs **\$166,500**, according to the survey. Costs in other communities for that home, by comparison, are:

- Flagstaff, AZ, \$208,633
- Cedar Rapids, \$181,497
- San Jose, CA, \$528,750
- Denver, CO, \$244,675
- Edina, MN, \$230,450
- Boston, MA, \$319,500

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*Into The Next Century*  
**Forward**  
**Sioux Falls**

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# Forward Sioux Falls

## Into The Next Century

Report to Investors

December 2000

## Investors confident in Sioux Falls' future

Since 1987, businesses, local government partners and other community leaders have invested over \$8 million in three Forward Sioux Falls programs. Forward Sioux Falls has been a leader in defining and supporting the initiatives necessary to facilitate the community's economic and cultural expansion. This joint venture partnership between the Sioux Falls Area Chamber of Commerce and the Sioux Falls Development Foundation has created quality jobs, increased capital investment and funded initiatives to provide affordable housing opportunities. Forward Sioux Falls has been the catalyst for increased economic development and marketing for our area throughout the past decade.

The current program, Forward Sioux Falls—Into the Next Century, is the third phase of the joint venture partnership and will expire in 2001. This past Fall, the leadership of Forward Sioux Falls—Into the Next Century commissioned an Investor Survey to better understand the impact of current programs and to facilitate the identification of new community needs.

With the assistance of Randall M. Stuefen, Director of Research at the University of South Dakota's Business Research Bureau, an attempt was made to contact each Forward Sioux Falls—Into the Next Century investor. Beginning on September 8, and ending on September 28, over 2,000 telephone calls were placed to more than 400 investors asking them to participate in a survey. Two hundred and ninety-two current investors responded to the survey. The overall response rate for the survey was 75 percent.

According to the survey responses, the average rating given to the Forward Sioux Falls initiative

was an 8.0, on a scale from 1 to 10 where a 10 means the very highest level of satisfaction. Investors also expressed individual opinions, asserting their general belief that the economy and the quality of life in Sioux Falls are improving.

- 91 percent think the local business climate

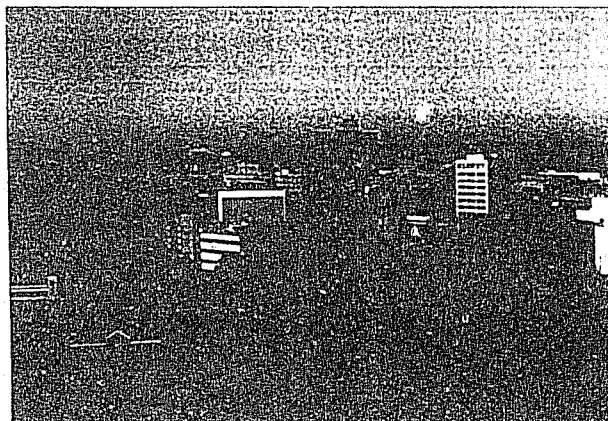
which they participate

In addition to the Investor Survey, the leadership of Forward Sioux Falls—Into the Next Century also commissioned an econometric study to determine if a measure such as job growth could be directly attributed to the joint partnership's efforts.

Dr. Ralph Brown, a University of South Dakota economist with the Business Research Bureau, estimates the efforts of the Forward Sioux Falls joint venture increased the number of jobs in the community by at least 8,000. These 8,000 jobs are in addition to the number of jobs attributable to the strong economic times enjoyed throughout the Midwest and in communities such as Sioux Falls. According to the study, a community of 8,000 would rank as the 12th most populous community in the state. The opportunities these jobs provide have a significant impact on South Dakota's economy.

Based on the positive response from the investor survey and the impressive results of the econometric study, the Boards of Directors of the Sioux Falls Area Chamber of Commerce and the Sioux Falls Development Foundation recently approved a process to determine the feasibility of a fourth Forward Sioux Falls program.

Forward Sioux Falls is designed to be an evolving community initiative and the program goals and priorities for a fourth phase of Forward Sioux Falls are carefully being studied. Further consideration of opportunities to enhance the economic vitality and quality of life for the Sioux Falls area is necessary to ensure the community's achievements of the past twelve years are carried forward into the new millennium.



*The city of Sioux Falls is a viable, progressive community that maintains a positive business climate and a high quality of life.*

is better or much better than it was 10 years ago.

- Investors rated Sioux Falls' quality of life an 8.6
- 59 percent of investors said the number of people they employ has increased over the past two years
- The majority of investors said the number of facilities they operate had stayed the same over the past two years with 28 percent reporting their facility numbers had increased
- The majority of investors said their growth in revenues exceeded those for the overall industry in

Sioux Falls Area  
Chamber of Commerce

Forward Sioux Falls is a joint venture partnership of  
the Sioux Falls Area Chamber of Commerce and the  
Sioux Falls Development Foundation.



Sioux Falls Development Foundation



# Workforce Development addresses investors' needs

The region's tight labor market has resulted in Workforce Development emerging as a top priority for Forward Sioux Falls—Into the Next Century. Through its Chair, Dave Pate of Western Surety Company, and staff Director, Mary Medema, the Workforce Development Council is committed to developing a comprehensive plan to augment the supply of workers, to improve the quality of the workforce through training and education, and to match skills to available jobs.

## Promotion and Recruitment

Due to the business community's immediate workforce needs, much of the current program's emphasis has been on augmenting the supply of skilled labor for the Sioux Falls community through direct promotion and recruitment. Activities include:

- Radio ads with messages targeting young adults and others targeting individuals and regional university alumni across the United States encouraging them to 'Come Home' to Sioux Falls.
- Print advertising in magazines and newspapers appealing to college students needing employment during and after school, as well as to former South Dakotans and other Midwesterners, and to experienced professionals across the United States.
- Direct mail campaigns to more than 10,000 South Dakota alumni.
- Taking the Sioux Falls job opportunities message to out-of-state job fairs plus continued support of the BIG Job Fair.

Results of these activities include: increasing regional awareness of Sioux Falls area job opportunities, a rise in relocation inquiries, and a significant increase of the labor supply. The continuation and diligent execution of these programs will sustain and enhance these trends.

## Impacting Students

Support for school and business linkages that impact students' awareness of Sioux Falls job opportunities and teachers' knowledge of local business and industry is an integral part of the Forward Sioux Falls Workforce Development program. Components include:



- ShadowED provides an opportunity for local high school students to participate in four-hour career shadow experiences at more than 70 business and industry partner work sites.
- Connecting Educators provides summer externships for teachers to experience all aspects of business with selected industry partners. This enables teachers to incorporate this knowledge into their cur-

riculum and classrooms.

- The Academy for the Construction Trades is a summer training and employment program for senior high students and graduates to develop skills relating to the construction industry.

These programs have helped hundreds of local students discover career opportunities and make more informed choices about their future. Increased knowledge of local employers and career opportunities as well as local education and training options encourages area students to include Sioux Falls in their future plans.

## Resource and Referral

Connecting employers to resources and referrals related to the workforce is another strength of the Workforce Development program. Common requests this year have been related to:

- Wage and salary data and trend analysis.
- Training provider information and referral.
- Recruitment and retention strategies and resources.
- Community resources.
- Relocation assistance.
- Speaking engagements on employment issues.

These activities have increased awareness and use of the outstanding employment, training and other resources available in the community. More companies are developing strategies to improve their ability to attract and retain a skilled workforce in order to reach their short and long term goals.

# New program developing region as technology center

Technology Assessment and Development is one of the six program areas of Forward Sioux Falls—Into the Next Century. The Technology Committee, chaired by David Link of Sioux Valley Hospital & Health Systems, is working to develop high-tech industry in the Sioux Falls region.

To achieve this goal, the Technology Committee actively assessed regional technology resources, promoted the region as a technology center, and planned for a technology park and technology business accelerator program. The following were accomplished during the past year:

## Research and Assessment

- Published the Forward Sioux Falls Technology Report. This report identifies key strengths and weakness of the Sioux Falls region regarding high-tech development, compares Sioux Falls to regional technology centers and provides 15 recommendations for developing the technology industry in our region.
- Published the Technology Education Inventory. This publication includes 30 regional educational institutions and training centers, and provides valuable information about the types and availability of technology education. Information from this study will be used to assist current and potential new businesses and to benchmark development of technology education offerings.

## Technology Park Development

• Formed the Technology Park Task Force. The task force is developing a strategy for the creation of a Technology Park and a Technology Business Accelerator program in Sioux Falls, one of the 15 recommendations of the Technology Report. This park would serve as a focal point for regional technology business development.

- Conducted site visits. The visit to the Peter Kiewit Institute, which merged the University of Nebraska-Omaha's College of Information Science & Technology and the University of Nebraska-Lincoln's College of Engineering, provided insight into opportunities for collaborative partnerships between education and industry. The visit to the University of Nebraska-Lincoln Technology Park provided an opportunity to study a successful technology business incubator model and learn more about the process of establishing a technology park.

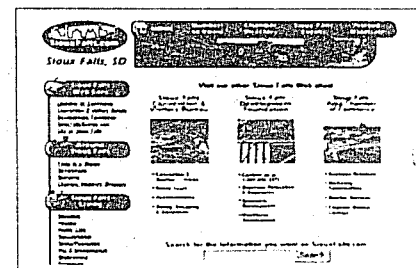
## Promotion of Sioux Falls as a Technology Center

- Published the Technology Business Directory. This directory includes 75 technology providing companies and lists contact information and a description of the products and services they offer. The Technology Business Directory is being used to help area businesses find technology solutions locally and to promote Sioux Falls as a technology center to busi-

nesses looking to locate in the region.

- Promoted and hosted the SBIR (Small Business Innovation Research) Forum in May 2000. The event brought representatives from nine federal grant-awarding agencies to Sioux Falls to meet potential applicants. This event provided an opportunity to promote research and development opportunities in South Dakota and to introduce members of private industry and university faculty to the grant-application process.

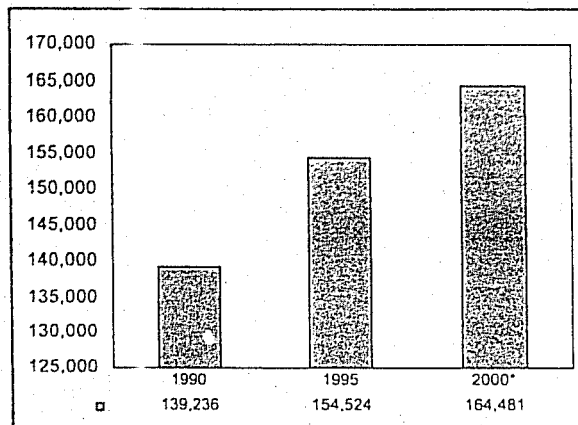
- Launched a new portal Web site for Sioux Falls located at [www.siouxfalls.com](http://www.siouxfalls.com) in July 2000. This site is designed to promote Sioux Falls to visitors and potential new residents. It will also serve to connect new sites being developed for Forward Sioux Falls partners. SDN Communications has worked with Forward Sioux Falls to provide server hardware, software and co-location services for the site.



# Facts show a decade of growth in Sioux Falls

During three Forward Sioux Falls (1987-2001) programs, the Sioux Falls area has grown and diversified. Accompanying major investments in expanding educational opportunities, growing technological resources and increasing the availability of affordable homes, substantial economic achievements have been realized. The following statistics highlight the positive development which has occurred in the Sioux Falls region over the past decade.

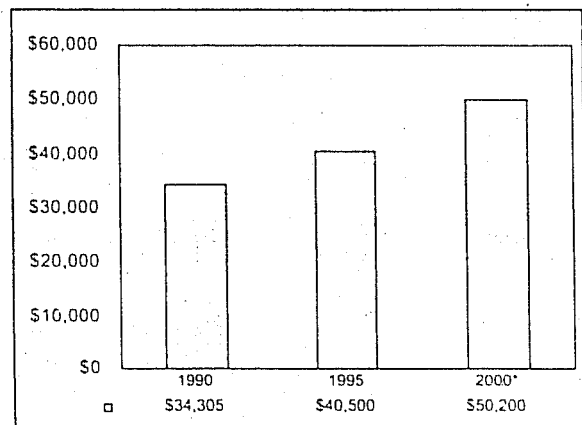
**Total Population Growth  
Sioux Falls MSA**



Source: U.S. Census Bureau

2000\*: Data represents an estimated figure based upon 1990 census data.

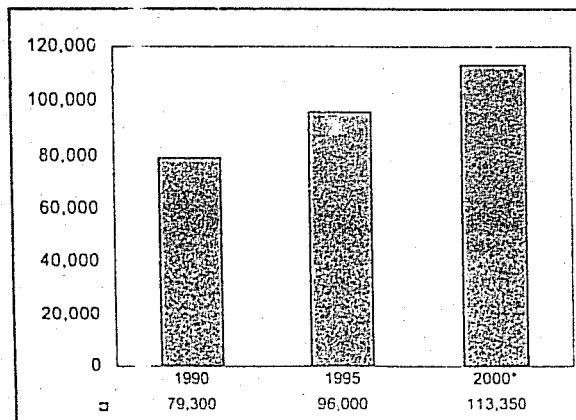
**Median Family Income  
(Four Person Household)  
Sioux Falls MSA**



Source: Community Development Office

2000\*: Data represents an estimated figure as of January 2000

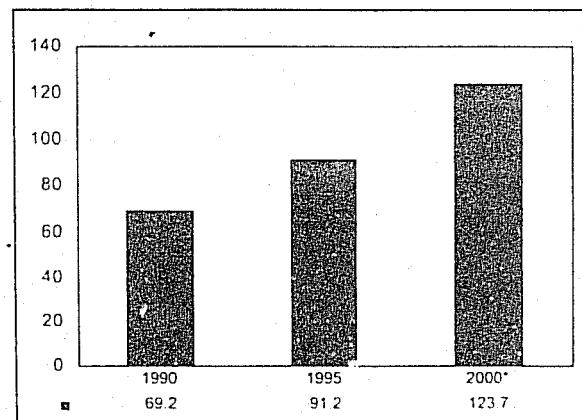
**Total Number of Non-Farm  
& Salaried Workers  
Sioux Falls MSA**



Source: South Dakota Labor Market Information Center

2000\*: Data presented is a 10-month average from January to October 2000.

**Total Commercial Construction Values  
(\$ Millions)  
City of Sioux Falls**



Source: City of Sioux Falls Planning & Building Services

2000\*: Data presented as of October 25, 2000.

**Retail Sales**  
(Calendar Year)  
**Sioux Falls MSA**

1996	\$2,757,952,428
1997	\$3,037,034,369
1998	\$3,438,469,284
1999	\$3,656,076,612
2000*	\$4,013,406,145

Source: South Dakota Department of Revenue  
2000\*: Data presented as of November 1, 2000

**Sales/Use Tax Revenues**

*(includes 1st, 2nd & 3rd Penny for the City of Sioux Falls)*

1996	\$44,292,429
1997	\$48,492,419
1998	\$52,913,899
1999	\$56,679,804
2000*	\$57,247,098
2001*	\$63,808,616

Source: City of Sioux Falls  
2000\*/2001\*: Data represents an estimated figure

**Lodging Tax Revenues**

*(4th Penny for the City of Sioux Falls)*

1996	\$239,157
1997	\$315,469
1998	\$353,280
1999	\$382,160
2000*	\$390,450
2001*	\$433,454

Source: City of Sioux Falls  
2000\*/2001\*: Data represents an estimated figure

**Total Taxable Property Valuations**

*(Fiscal Year)*

**City of Sioux Falls**

1995	\$3,427,136,935
1996	\$3,790,647,213
1997	\$3,816,442,768
1998	\$4,043,984,335
1999	\$4,247,543,681

Source: South Dakota Department of Revenue

**Number of Passenger Boardings**

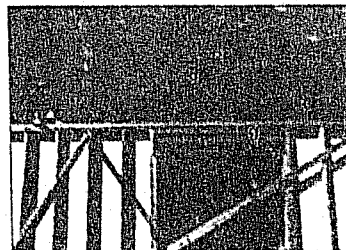
**Sioux Falls Regional Airport**

1990	233,257
1995	286,707
1996	336,694
1997	354,527
1998*	344,854
1999	359,158
2000**	365,049

Source: Sioux Falls Regional Airport Authority  
1998\*: Decrease in number presented is due to a Northwest Airline strike  
2000\*\*: Data presented as of November 30, 2000

**Program Highlights of  
Forward Sioux Falls-Into the Next Century**

- 14,531 New Jobs since 1996
- Southeast Technical Institute/Regents University Center  
Forward Sioux Falls supported the creation and construction of the new center, which is located on the campus of Southeast Technical Institute. The new joint use facility broke ground in October 1999 and will open in the winter of 2001.



- \$724,300,000 Total Commercial Construction from 1996 to October 25, 2000.

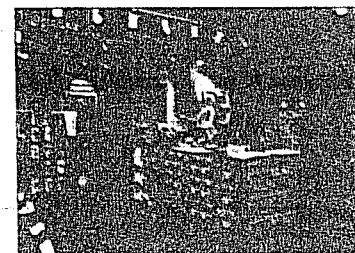
- 23 percent increase in the number of businesses located in

the Sioux Empire Development Parks (1997-2000).

- \$1.5 Million Affordable Housing Development With the donation of 20 houses by Avera McKennan Hospital, the first Lacey Park Development was established with 40 residential lots.

- Employer Mortgage Assistance Programs (EMAP). Introduced by the Sioux Empire Housing Partnership and other community partners to offer down payment assistance to homebuyers. The program was recognized by the U.S. Department of Housing and Urban Development as one of the "Best Practices" in the nation.

- Falls Park Visitor Information Center and Observation Tower. In partnership with the City of Sioux Falls, Forward Sioux Falls supported the city's first visitor information center, which opened Memorial Day weekend 1999.



- Defeat of Constitutional Amendment A. This proposed amendment would have eliminated property tax as a source for public school funding, thus leading the state into a corporate and personal income tax as the only available alternative.

## Forward Sioux Falls provides opportunities for development

Forward Sioux Falls—Into the Next Century represents the third phase of careful planning and investigation of opportunities for increased economic development in the Sioux Falls area. Together, the Sioux Falls Area Chamber of Commerce and the Sioux Falls Development Foundation have utilized contributions to the Forward Sioux Falls program to address the community's needs to diversify the regional economy and enhance the area's quality of life. In addition to the new program areas of Workforce Development and Technology, this third joint venture partnership continued work on the program areas of Business Climate, Existing Business, New Business and Quality of Life.

The Existing Business and New Business goals of Forward Sioux Falls—Into the Next Century were designed to support the positive work of the Sioux Falls Development Foundation on business retention and expansion and new business attraction and recruitment. While the Sioux Falls Development Foundation maintains an inventory of available development land, Forward Sioux Falls has enabled the organization to host additional companies for on-site visits and market the community to targeted sectors of the national economy. Forward Sioux Falls provided funds to complete a market analysis of the city, which demonstrated that the Sioux Falls area is cost efficient and a highly conducive location for national distribution and fulfillment operations. Sioux Falls has also been established as a preferred location for technical support call centers.

The Development Foundation just completed another successful year. Throughout the entire current program of Forward Sioux Falls—Into the Next

Century, total commercial construction investment in the city of Sioux Falls is \$724.3 million. There has also been a 23 percent increase in the number of businesses located in the Sioux Empire Development Parks. Major growth and business expansion has been sustained by the efforts of Forward Sioux Falls.

The government affairs and business advocacy work of the Sioux Falls Area Chamber of Commerce champions the preservation of a business friendly climate in Sioux Falls and the state of South Dakota. The *Business Climate* goal of Forward Sioux Falls—Into the Next Century is critically important in maintaining a positive economic environment. With additional support from Forward Sioux Falls, the advocacy efforts of the Chamber have provided leadership and support for the Sioux Falls Convention Center and Washington Pavilion projects. Forward Sioux Falls also guided and influenced crucial ballot issues.

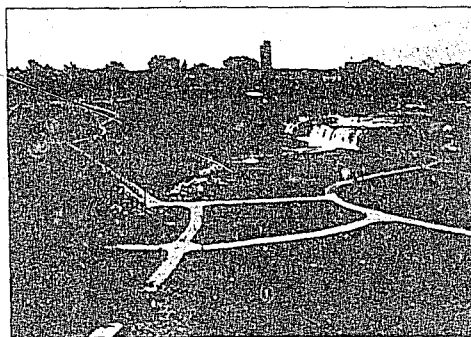
Through the Forward Sioux Falls—Into the Next Century initiative, the Chamber expanded its business issues research capabilities and resources. Monthly newsletter features and internal economic studies have been completed and used to broaden awareness and understanding of issues facing the regional economy.

The Forward Sioux Falls investors also committed funds to maintaining the high *Quality of Life* enjoyed by the area's citizens and businesses. With Forward Sioux Falls—Into the Next Century, the Sioux Empire Housing Partnership was created to enhance the efforts of public and private sectors to increase availability of low to moderate-income housing. The Partnership began in 1996 and it is a nonprofit organization. Throughout the current program, the Sioux Empire Housing Partnership has become an organization with a vision for the future and a proven record of accomplishments such as the

Lacey Park Development and the Employer Mortgage Assistance Programs (EMAP).

The Chamber and its Convention and Visitors Bureau, through the contributions of Forward Sioux Falls, cooperatively supported the City of Sioux Falls in the establish-

ment of the Falls Park Visitor Information Center and Observation Tower. The visitor information center offers visitors and Sioux Falls residents information on Sioux Falls' hotels, motels, restaurants, activities, attractions and entertainment and a five story view of the city's namesake, the Falls of the Big Sioux River.





## Forward Sioux Falls retains NCDS to study program feasibility

National Community Development Services, Inc. (NCDS) will guide the feasibility assessment for a fourth Forward Sioux Falls program. NCDS specializes in assisting business and community leaders develop a pragmatic, no-nonsense campaign method that gets results.

Founded in 1977, NCDS has grown into the most successful fund-raising campaign firm in the United States. Its campaigns have resulted in three successful Forward Sioux Falls programs, which have raised more than \$8 million dollars. Nationally, NCDS has raised more than \$600 million for nearly 400 clients.

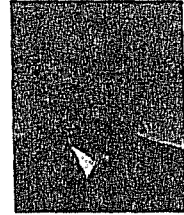
Headquartered in Atlanta, GA, NCDS has a seasoned staff of 40 professionals with backgrounds encompassing virtually all aspects of non-profit fund raising. With the skilled expertise of NCDS President Jim Bullion and Gordon Zion, NCDS Senior Counsel, Forward Sioux Falls has begun the process of researching opportunities for a new program. During the past few weeks, Gordon Zion has begun asking community stakeholders to participate in program development and goal assessment for Forward Sioux Falls. Zion has interviewed community leaders to determine what needs to be done, what the program would cost and how it should be accomplished.

After the stakeholder interview process is completed and the responses are compiled, NCDS will identify and document

the opportunities and issues facing the Sioux Falls community. NCDS will also assist in developing general plans, programs, timetables and budgets to address the issues and concerns highlighted in meetings with community leaders. By conducting thorough, in-depth feasibility analysis of a proposed fourth program of Forward Sioux Falls and its funding, NCDS will organize a campaign to fund and underwrite the proposed program.

NCDS earns its reputation for excellence with solid experience. With the support of NCDS, the Sioux Falls Area Chamber of Commerce and the Sioux Falls Development Foundation will be able to move forward, ensuring the region's positive business climate and high quality of life.

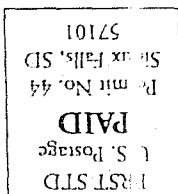
For additional information about NCDS, please e-mail [info@ncdsinc.net](mailto:info@ncdsinc.net) or contact the Sioux Falls Area Chamber of Commerce at 336-1620 or the Sioux Falls Development Foundation at 339-0103.



**Gordon Zion,  
NCDS Senior  
Counsel**

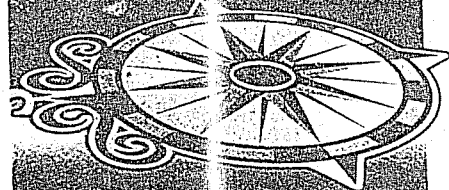
*will be interviewing community stakeholders in  
December 2000*

**NCDS**  
NATIONAL COMMUNITY DEVELOPMENT SERVICES



**Forward  
Sioux Falls**  
*into The Next Century*  
P.O. Box 1425  
Sioux Falls, SD 57101-1425

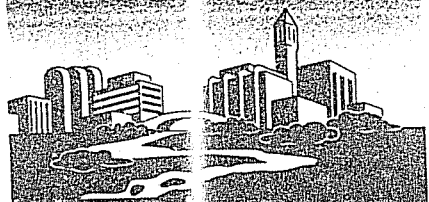
# Directions



Please mark your  
calendar for the

## ANNUAL MEETING

at the Sioux Falls  
Convention Center



A publication of the

**Sioux Falls  
Development Foundation**

Volume 25 Number 5  
September-October 2000



The evidence is all around us—construction activity in Sioux Falls during the building season has continued at a record pace. New home construction is expanding every corner of the community, and the construction activity is not just confined to houses.

"We're seeing strong capital investment and construction in the industrial and commercial sectors as well," said Linda Barker, Development Foundation Chair. "The 189,000 square foot South Dakota Furniture warehouse near the airport, the new 40,000 square foot Andreas office building in Sioux Empire Development Parks and the recent expansion and renovation at the Empire Mall are just examples of the highly visible construction activity occurring."

Commercial construction has driven the building economy throughout the 1990s, according to City Planning Director Steve Meth. Prior to the past decade, housing construction was the mainstay of the construction industry in Sioux Falls.

"We're experiencing development in all sectors of the economy," Meth said, "and housing construction is still very strong. In fact, during the 1990s, Sioux Falls averaged about 1,100 housing units per year. Through September of 2000, we've added 1,600 housing units—and we still have a quarter of the year to go!"

According to the 9th Federal Reserve District, housing unit authorizations in Sioux Falls rose by 616% in the first quarter of 2000. The Sioux Falls percentage of housing starts was greater than the combined increases of Eau Claire, Fargo-Moorhead, Duluth-Superior, Rapid City, Billings and LaCrosse—a total urban population of nearly a half million.

The record-setting pace of construction this year should shatter the old construction activity record, set in 1998, according to Meth.

"The old record was \$271 million in total construction for the year," he said. "This year, through September, we've recorded \$296 million, and I expect we'll see \$325 million for the year 2000. It could go higher. Since this is actually the last year of the millennium, Sioux Falls is ending the 20th century with a boom."







## Prosperity mirrored in groundbreaking activities



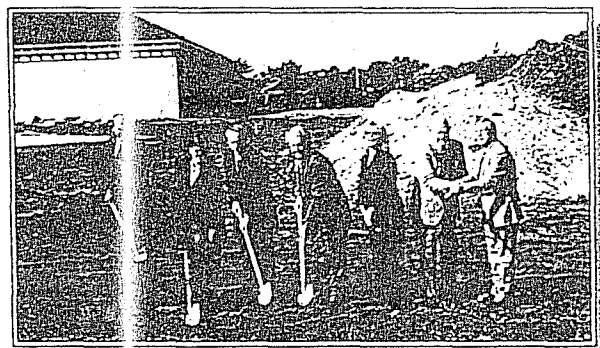
### Link creates enhanced Sioux Falls Community Playhouse

The Development Foundation hosted a groundbreaking ceremony on October 3 for the Sioux Falls Community Playhouse. Construction is underway for the Link—a 9,500 square foot steel and glass structure tying the historic Orpheum Theatre building to the Veterans Studio. The \$1.2 million project, expected to be completed in April, 2001, will create a new lobby, restrooms, a courtyard theatre, enhanced office and classroom space and an improved scene shop area. The Community Playhouse, which mounts 10 full-scale productions each year and serves 17,000 children annually, has provided live theatre for 70 years.



### Andreas Development builds in Sioux Empire Development Park IV

Twelve units leased. Andreas Development Corporation is building a 30,000 square foot office building in Sioux Empire Development Park IV near Hartman. The building, which will be completed in November, will be occupied by December. The building is a three-story building with a three-story building complex with the space leased to office tenants. Together, the three buildings could total up to 100,000 square feet.



### F&M breaks ground on west side branch

The last flowing Marion Road and 20th Street corner will be adding another business with the construction of a branch office of F&M Bank. A groundbreaking ceremony was held September 23 for the west side location, a 1,500 square foot full service bank with three drive up lanes and an ATM line. The attractive, pitched roof, landscaped facility is one of several F&M locations currently being developed in Sioux Falls. With 14 branches in eleven South Dakota communities, F&M is a \$50 million community bank. The west side branch will be open in March, 2001.

### Hindbjorgen named Development Foundation vice president

Dan Hindbjorgen, who has served for the past three years as Director of Marketing for the Sioux Falls Development Foundation, has been named the new Vice President of the organization.

"Dan has shown a genuine aptitude for economic development work," said Dan Scott, SDF president. "He is an excellent representative for Sioux Falls and has been instrumental in several of our successes during the past three years."

Scott said that Hindbjorgen will continue to direct the marketing efforts of the Development Foundation. As vice president, Hindbjorgen will play an increasing role in meeting with prospects, contacts with companies throughout the region and in the management of the Sioux Empire Development Parks.





## YESTERDAY IN SIOUX FALLS

*at John Morrell & Co.*

Business men in fedoras and classic automobiles were very much in evidence during the dedication of the Centennial Gate at one of the major industries in Sioux Falls: John Morrell & Co. The 1927 ceremony not only established a landmark in the community, but affirmed the importance of John Morrell as a local employer—a status the company enjoys to this day.

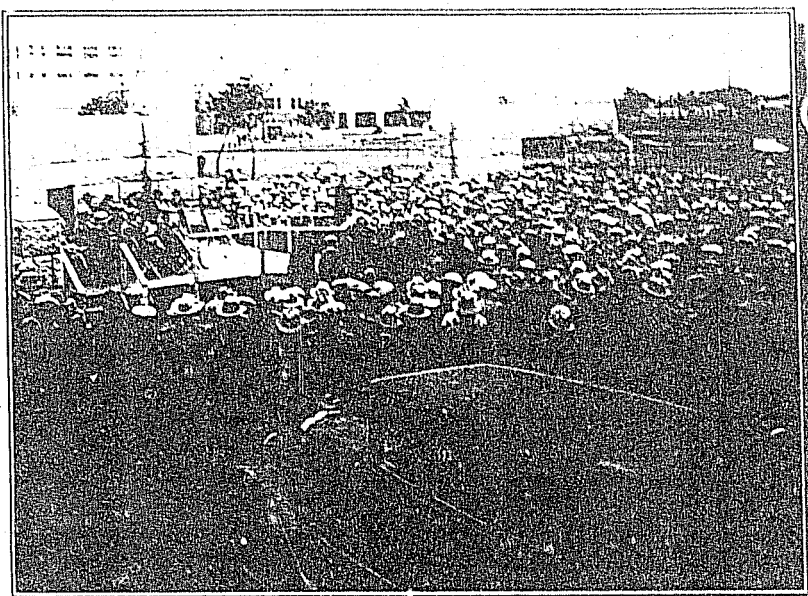


Photo courtesy of The Soudland Heritage Museums, Sioux Falls, South Dakota

### Directions

is published six times yearly by the



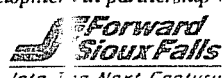
### Sioux Falls Development Foundation

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Dan Scott, President Karen Ruhland, Editor

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Working for regional economic  
development in partnership with:



Lincoln County  
Economic Development Association



Minnehaha County  
Economic Development Association

## Scott tells Sioux Falls story on live radio

Radio spots running in the Minneapolis-St. Paul market have caused quite a stir. In fact, the commercials struck such a nerve that the top-rated talk radio host in Minneapolis asked Dan Scott, president of the Sioux Falls Development Foundation, to be his guest for a one-hour segment of the Jason Lewis show. The Lewis program runs during the evening drive-time hour, with callers adding their questions and comments to Lewis' views of local politics.



The Sioux Falls segment ran during the 6 to 7 p.m. hour, creating an outpouring of dissatisfaction for the business climate in Minnesota. Scott answered questions about the savings available to business owners in Sioux Falls and the advantages of locating a business in South Dakota. Callers told personal anecdotes about the high cost of doing business in Minnesota and several considered on-air moving to South Dakota.

"It was interesting to hear the live, unsolicited comments of Twin Cities-area residents," Scott said. "If we needed any further proof that our marketing is targeted in the right direction, that program provided such proof."

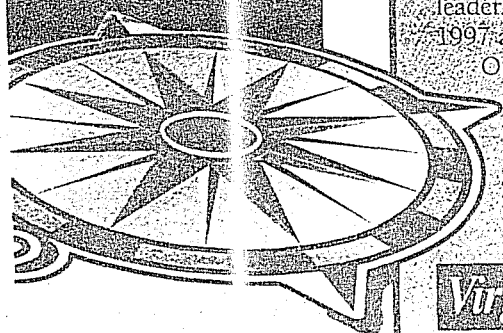
Since the radio campaign began, electronic inquiries for information about Sioux Falls has been up. The Development Foundation is continuing its direct mail campaign to nearly 2,000 high tech companies in the Minneapolis-St. Paul market in coordination with the radio campaign.

Sioux Falls  
Development  
Foundation

## Chair's Report



By Linda Barker



This has been a great year for groundbreakings in Sioux Falls. We've hosted a record number of these celebrations of growth and development for our community. Every one of them is a sign of the confidence companies feel about Sioux Falls and its future. That's exciting—and one of the most enjoyable of my duties as chair of the Development Foundation.

Planning for the future of this community is another essential element of the Development Foundation's job description. Our strategic plan is now in place, with careful deliberation about the role of technology, the importance of available land, and the growth of the Sioux Empire Development Parks. Thanks go to staff and board members for their time and valuable input into this process.

As Forward Sioux Falls chairman Fred Shuneka has pointed out, the success we have enjoyed in our community during the past decade can be directly traced to the **planning, persistence and partnership** that has achieved so much. We are not afraid to look challenges full in the face, develop creative solutions and take positive action. That's the way we do things in Sioux Falls—and it works.

Please mark your calendars for an important date in November—the Sioux Falls Development Foundation annual meeting. The meeting is scheduled for Wednesday, November 15, and I hope to see you there.

*Linda Barker*

### *South Dakota among leaders in job growth*

According to a comparison study of employment increases in service, industry and manufacturing jobs across the nation, South Dakota is a clear leader. The state recorded a 40% increase in service employment from 1992 to 1997 and a 38.2% increase in manufacturing jobs during the same period.

Other states recorded higher totals in each category—Mississippi had a 66% jump in service jobs and Nevada's manufacturing employment went up by 49%—but the strong growth in both industry segments put South Dakota near the top nationally.



### *Virginia profs praise Sioux Falls buying power*

Two economics professors from Old Dominion University in Norfolk, Virginia, have proof that the dollar goes further in Sioux Falls. Gilbert Yochum and colleague Vinod Agarwal studied 1998 income figures from the US Commerce Department and matched the numbers to cost of living information from the US Chamber of Commerce. The result put the Sioux Falls two-county metro area at number 16 on the national list for personal buying power. The price-adjusted per-capita income figure for Sioux Falls was \$30,094, giving residents 22% more buying power than the national average. West Palm Beach and Boca Raton, Florida, showed the best personal buying power, with McAllen/Edinburg/Mission, Texas at last place on the ranking list.

## Past success doesn't guarantee future success

One of the most difficult things to comprehend about a decade of prosperity is the possibility that it might end. We hear catch phrases like "self-sustaining economy" and "critical population mass" and make assumptions that things will continue in Sioux Falls pretty much as they have for the past ten years. The fact is that our success doesn't **have** to continue.

With the creation of Forward Sioux Falls well over a decade ago, this community set a leadership pattern. That pattern has encompassed both **actions** and **results**. In other words, we looked at the challenges, charted a course—and experienced the rewards of bold, timely, decisive action. A partnership was forged between business and government to make a difference in Sioux Falls. And it worked.

But momentum will not guarantee results in the future. No catch phrase will take the place of the successful **planning, persistence** and **partnership** that brought us to where we are today. Nobody in Sioux Falls wants to go back to the days when buildings stood empty, the industrial parks were quiet and the economy of Sioux Falls was stagnant. We **want** the strength of our community to grow, our children to be able to find meaningful careers and our industrial base to continue to diversify.

For that to happen, we need to remember the leadership pattern that brought us here—and to continue the action-oriented efforts that bring results.



Sioux Falls  
Development  
Foundation

## President's Report

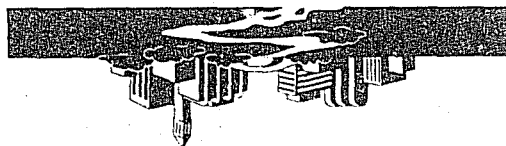


By Dan Scott

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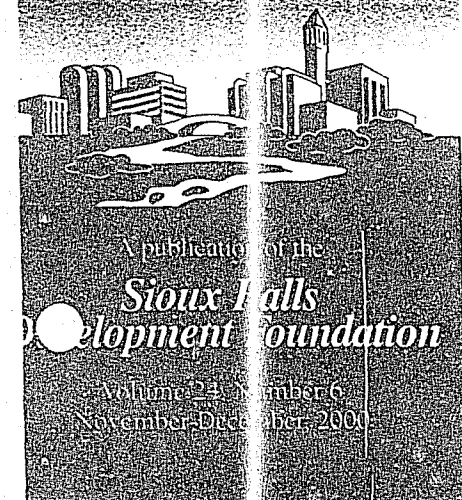
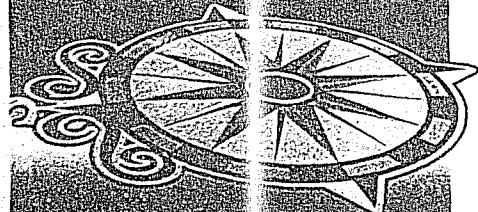
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# Directions



## Christensen receives Spirit of Sioux Falls Award

**D**avid A. Christensen, chairman of the board of directors of Raven Industries, Inc., has been presented with the 2000 Spirit of Sioux Falls Award.

This award is given each year to an outstanding business leader at the Sioux Falls Development Foundation annual meeting. Created in memory of Angus Anson, David Birkeland and Roger Hainje, leaders of the Sioux Falls Development Foundation who tragically lost their lives in the plane crash which also took the life of Governor George Mickelson, the award honors exemplary service in the economic development of Sioux Falls.

An industrial engineering graduate of South Dakota State University, Christensen began his business career in Sioux Falls with John Morrell & Company in 1960. In 1962, he made the move to Raven Industries, and spent the rest of his career with the company, becoming president and chief executive officer in 1971. He held that post until his retirement in August, 2000.

"David Christensen worked throughout his career to make Sioux Falls and South Dakota a better place to live," said Linda Barker, Development Foundation chair. "He has taken leadership positions in nearly every one of our community's civic endeavors and has been a strong advocate for economic development issues."



David A. Christensen

Inducted into the South Dakota Hall of Fame in 1998, Christensen was presented with the Executive of the Year Award by the Sales & Marketing Executives in 1993, was USD's South Dakotan of the Year in 1985 and SDSU's Distinguished Alumni Award in 1978. He is a director of Raven Industries, Wells Fargo & Co., Xcel Energy, Beta Raven in St. Louis and Medcomp Software of Colorado Springs.

Christensen has served on the boards of numerous civic improvement organizations, including Sioux Empire United Way, which presented him with the Heart Club Philanthropist of the Year Award in 1999. He also served as co-chairman of the Development Council of Forward Sioux Falls, and was advance gifts chairman for the Washington Pavilion of Arts & Science.

"David Christensen has provided an example of leadership and commitment," said Dan Scott, Development Foundation president. "He has a clear understanding of what it takes to get things done for our community."

Christensen was presented with the Spirit of Sioux Falls award during a special ceremony at the Sioux Falls Development Foundation annual meeting, Wednesday, November 15, 2000.



### Videotape premieres at annual meeting

**T**he new Sioux Falls Development Foundation videotape spotlighting the development parks was unveiled at the annual meeting and, based on crowd response and comments afterward, was a big hit. The production was done by Henkin Schultz and features numerous aerial views of the Sioux Empire Development Parks.

"We wanted to illustrate as graphically as possible the scope and amenities of our available land," said Dan Scott, Development Foundation president. "One of the key factors in the recent success of our industrial parks—and our community—is a company's ability to get up and running faster in Sioux Falls than in any comparable community."

# Workforce Development Update

## Regional "Come Home" promotion targets families

**M**otivating highly-trained professionals and other experienced workers who now live in other states to follow their hearts back home to career opportunities in Sioux Falls is a priority for the Forward Sioux

Falls Workforce Development Council.

For the second consecutive holiday season, inserts have been placed in weekly newspapers in Iowa, Minnesota and South Dakota communities surrounding Sioux Falls. The insert asks relatives and

friends of far-away loved ones to "Bring them HOME for the holidays." The inserts provide the website addresses for the Sioux Falls Recruiting Cooperative and Opportunity Sioux Falls. The Sioux Falls Recruiting Coop, a partnership of 25 local companies committed to attracting high-tech and professional employees to the Sioux Falls area, is again partnering with the Workforce Development office in this effort.

The purpose of the insert is to encourage mothers and fathers, brothers and sisters, grandparents and friends of those living and working in other regions to spread the word about the jobs available in Sioux Falls. By checking out the opportunities available in Sioux Falls, perhaps those far-flung relatives could be living closer to home next year when the holidays roll around. In addition to surfing to the websites, people can call toll-free to request that packets of information be sent to their far-away relatives. This year's campaign also highlights graduating college students who are ready to enter the workforce.

"The response to this campaign has already been great," said Mary Medema, Workforce Development Director. "We are talking with dozens of people on the telephone enough to prove that the message was clearly received. We are sending information packets to people throughout the country who really do want to come home again."

The insert serves a multiple purpose, Medema said. Not only does it appeal to people who are actually looking for a way to return to the midwest to continue their careers here, the insert also reminds individuals living in the contiguous communities and states that opportunities for great careers are available—right next door in Sioux Falls.

## County associations hold annual meetings

**D**uring November, both the Minnehaha County Economic Development Association (MCEDA) and the Lincoln County Economic Development Association held their annual meetings. The featured speaker for both events was Dan Nelson, Public Affairs Director for the Sioux Falls Area Chamber of Commerce, who gave a legislative preview.

The meetings included remarks by Jeff Eckhoff, executive director of the two rural economic development groups, on the activity this year in Lincoln and Minnehaha County communities. Both organizations viewed the new color literature, sponsored jointly for external marketing.

"The past year was one which stressed the unique partnership between the two counties," Eckhoff said. "We are all working for the same goal, from the Governor's Office of Economic Development to the Sioux Falls Development Foundation to each of the member communities of our organizations."



Jeff Eckhoff

## High tech firm locates in Sioux Falls

**B**usiness Microvar, Inc., a software sales and service company, is in the process of establishing a Sioux Falls office. The company was recently named *Global Partner of the Year* by Great Plains, the leading software company for business applications.

Business Microvar is based in Roseville, Minnesota and also has an office in Fargo. Attracted to Sioux Falls by press reports of the growing high-tech sector of our local economy, Business Microvar began discussions with the Sioux Falls Development Foundation which led to their leasing of space in the 300 Building in downtown Sioux Falls.

"As a provider of e-business solutions, we are very interested in markets which are showing rapid technological growth," said John Hendricks, CEO of Business Microvar. "We were very pleased with the information and assistance provided by the Development Foundation and look forward to serving the needs of businesses throughout the Sioux Empire from our Sioux Falls location."



## YESTERDAY IN SIOUX FALLS

### OPSKAGGS MARKET

Neighborhood markets played a critical role in holiday preparations during the pre-World War II period in Sioux Falls. One of the most popular and well-known grocery stores in those years was the Phillips Avenue location of O.P. Skaggs. A major shopping destination with lots of selection for its day, Skaggs' market was simple by comparison with today's supermarkets.

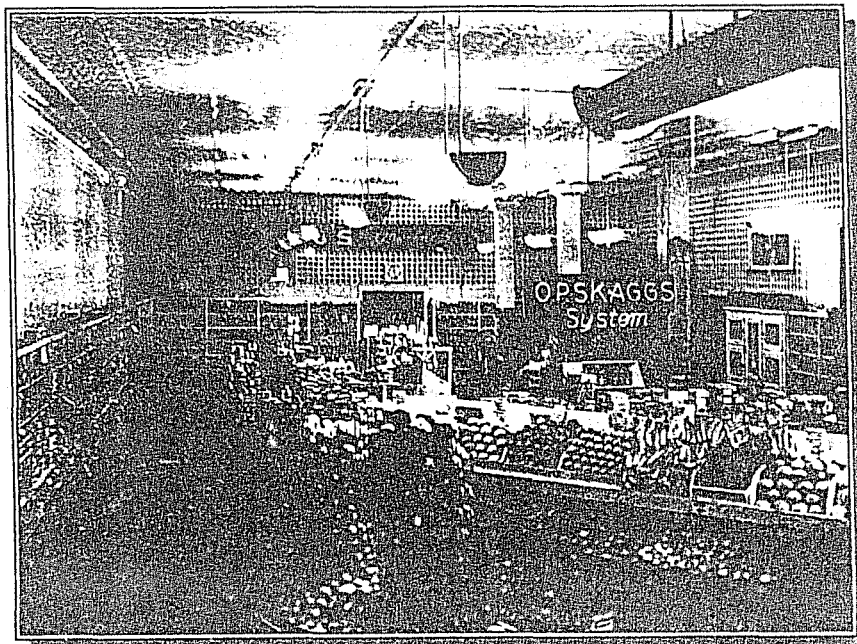


Photo courtesy of The Siouland Heritage Museums, Sioux Falls, South Dakota

## Sioux Falls gains more national recognition

**E**xpansion Management magazine has released its Top Small Cities rankings for 2000 and Sioux Falls is in the Top Ten. The community was cited for "a healthy economy, forecasted job growth, incredible employment potential, top-notch quality of life, outstanding educational standards and opportunities for relocating companies."

US Census Bureau has released a report on tax collections nationwide that puts South Dakota at the #2 slot for **lowest per-capita state taxes**. Neighboring Minnesota ranked in the top five states for highest per-capita taxes collected. Only New Hampshire collected fewer taxes per person than South Dakota.

One of the nation's chief customer service publications, *Customer Interface*, has published costs for customer contact facilities in its October, 2000 issue. The article contains a graph of facility costs in twenty metropolitan areas from Boston to San Diego, and finds that doing business in Sioux Falls, South Dakota, will add as much as **\$1.8 million** to the bottom line. The magazine illustrates the article with a photo of the nation's capital—Washington, D.C.—Fairfax County, VA as the highest cost location in the US—and with a photo of downtown Sioux Falls—the nation's most cost-effective location.

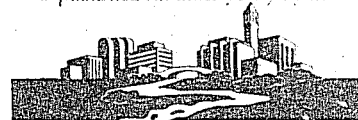
The latest issue of *Sales & Marketing Management* named Sioux Falls as one of the Top Twenty Best Places in America To Do Business in 2001. This is the second consecutive year that Sioux Falls has placed in the Top Twenty, and the reasons remain the same: low unemployment, no corporate income tax and strong economic growth projections.

Among the findings of the magazine in this year's rankings are increases of 32% in Sioux Falls' projected effective buying income by 2003, and a projected retail sales increase of 39% by 2003.

Other metropolitan areas that made the Top Twenty this year include Charlotte, NC; Austin, TX; Portland, OR; Salt Lake City; Seattle; Nashville; Atlanta; Cincinnati and Phoenix.

### Directions

is published six times yearly by the



### Sioux Falls Development Foundation

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Into The Next Century



Lincoln County  
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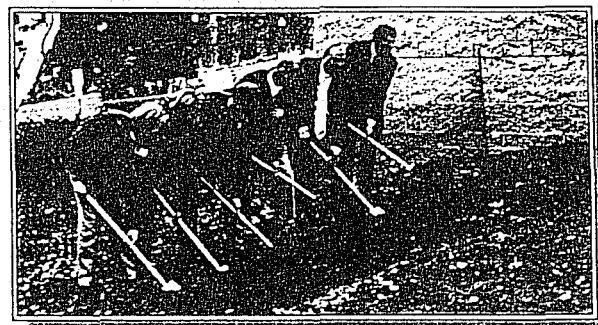


## Groundbreakings



### Great Plains Zoo to add giraffe facility

A very unique barn is being constructed at the Great Plains Zoo—one with lots of head room. The new \$320,000 giraffe facility consists of the main building and six outdoor exercise yards. The footprint of the main structure is 60 feet by 40 feet with 32 foot clearance inside. The building will have four holding stalls and a main hallway for the giraffe to enter and exit the structure. In the winter, zoo visitors will go inside through a hallway at one end and observe the giraffe through large windows along one side of the hallway. Planned completion date for the giraffe facility is January 21, 2001. Watch for the tenth annual Jungle Jamboree at the zoo on June 15, 2001, the proceeds of which will help bring the giraffe to Sioux Falls.



### Groundbreaking held for Waterford At All Saints Phase II

The Sioux Falls Development Foundation hosted a groundbreaking ceremony at Waterford At All Saints Retirement Community. The groundbreaking was the beginning of construction on the facility's Phase II, which will expand the capabilities of the campus to meet the needs of the Sioux Falls area. Included in Phase II will be a Dementia/Alzheimers wing with 24-hour supervised care by trained staff. Other new facilities included in the Phase II construction are expanded kitchen facilities and 16 additional independent and assisted living homes for future residents.

## Scholarship Winner

### SDSU student wins Spirit of Sioux Falls Scholarship

Allison Highum, a native of Lennox and an agricultural business student at South Dakota State University in Brookings, is one of three area students to receive the 2000 *Spirit of Sioux Falls Scholarship* to continue their post-secondary business education. The scholarships were created by the Sioux Falls Development Foundation in 1993 to honor the memory of Roger Hume, Angus Anson and David Parkeland.

Highum's post-secondary coursework was chosen because of her love of the farm life. Growing up near Lennox, she determined early to work within the ag industry without actually pursuing farming.

"Ag business allows me to work with farmers," Highum said. "I want to contribute something to the agricultural life so many people have chosen in our area."

Highum will complete her coursework this month. She is carrying a 3.95 grade point average with a 4.0 GPA in her major. An active athlete, Highum is a charter member of the Sioux Falls women's USA Volleyball team, competing against teams in other states. She has also been active in the SDSU soccer club. She credits the Spirit of Sioux Falls scholarship with helping her complete her education on schedule.

"This scholarship is important because the money stays in the area and helps students who want to promote the local economy," she said. "To me, the scholarship is especially important because it has helped to pay for my education during a time of rapid changes, with my recent marriage."

The Sioux Falls Development Foundation is proud to be a sponsor of the Spirit of Sioux Falls scholarships and congratulates Allison on her achievement.



Sioux Falls  
Development  
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## Chair's Report



By Linda Barker

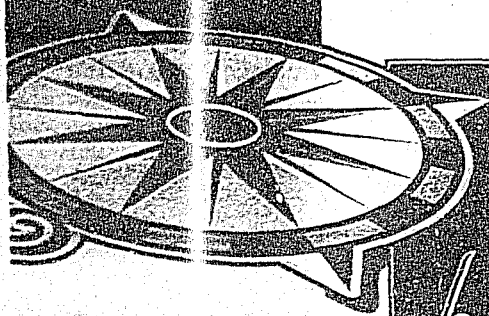
I want to thank everyone who made this a terrific, rewarding year for the Sioux Falls Development Foundation. As I write this final report to you as Chair of the Board, I want to say thank you for all your support and commitment in making this one of the best development organizations in the country. I appreciate Dan Scott's leadership and his dedication to our organization. I felt the November annual meeting was a real tribute to the people who came out in a snowstorm to show their belief in the positive forces of economic development. We viewed a great video which showed what an impact we can have and how the land owned by the Development Foundation has shaped and guided the growth of our city and county. We just keep rising to these new challenges, and I can safely predict that there will be more exciting announcements in the future.

Our organization depends upon the leadership skills of our volunteer board. My thanks to each of you. I also welcome our newly elected members: **Dennis Anderson**, First Dakota Title; **Henry "Chip" Carlson**, Henry Carlson Construction Company; **Bruce Halverson**, Augustana College; **John Keillholz**, Wells Fargo Financial Bank; **Dan Kirby**, Kirby Financial, and **Barry Martin**, US Bank. I know that you will find your time with the Development Foundation as rewarding as I have.

My congratulations to David Christensen, this year's recipient of the Spirit of Sioux Falls Award. Dave's service to our community makes him richly deserving of this honor. As many of you are well aware, Dave has never given less than 100% in any effort he has undertaken. His dedication to our community and our state have earned him accolades which include induction into the South Dakota Hall of Fame.

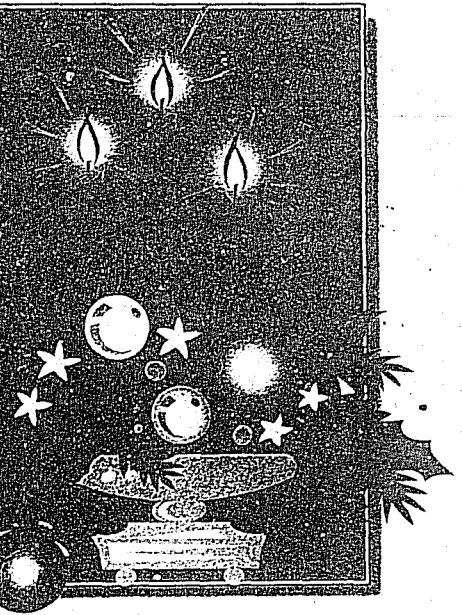
It has been my privilege to serve as chairman of the Development Foundation during an extremely exciting period in our history. The large number of groundbreaking ceremonies, the phenomenal growth of our industrial parks, the development of our partnerships throughout Lincoln and Minnehaha County and this year's unprecedented building boom in Sioux Falls have made this an unforgettable year for me.

*Linda Barker*



*Our very  
best wishes...*

*for a festive holiday season.  
May the warmth of family,  
friends and traditions  
joyfully carry you into a  
prosperous new year!*





## Continue moving forward, Sioux Falls

**A**fter the first quarter of 2000, the ninth district of the Federal Reserve funded a rather extensive study of the communities within the district. The study looked at a number of different areas, but the most significant, in my opinion, is **housing authorizations**. The bottom line of their statistical data is this: if you added all of the housing authorizations in the first quarter in Eau Claire, WI, Fargo/Moorhead, Duluth/ Superior, Rapid City and Billings, MT, a combined population area of 450,000—added all together, remember—they would **not** total the number of housing authorizations in **Sioux Falls**.

We have not just accelerated development in Sioux Falls, we have moved to a whole new league. I remember sitting around a table with Roger Hainje and Steve Metli, dreaming of the day we would break the \$100 million barrier in building permits. Breaking the \$100 million mark would certainly be a thing of glory, we thought. This year, Sioux Falls will exceed \$300 million in building permits, a whole new level of economic performance.

My reason for reminding you of this phenomenal progress is that we are in the final year of a five year Forward Sioux Falls program. The process is underway to consider whether we will continue or discontinue one of the most aggressive and comprehensive economic programs ever undertaken by this city. I don't want to try to affect your judgement on this very important matter, but let me tell you this: **I don't want to give up one inch of the ground we have gained** since the beginning of Forward Sioux Falls in 1988.

I don't want to go back to a time when there were more empty store fronts on Phillips Avenue than full ones. I don't want to go back to a time when the young people in this community left in droves due to the lack of opportunity. And I really don't want to go back to a time when an organization known as TACCO (Taxpayers Against the Convention Center Obligation) was the voice of this community.

I urge you to lend your support to a program which has enabled this city to achieve levels of economic performance that we never even imagined possible 13 years ago. It has been too long in the making, we have come too far and we have accomplished too much to abandon this program now.

Sioux Falls  
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## President's Report



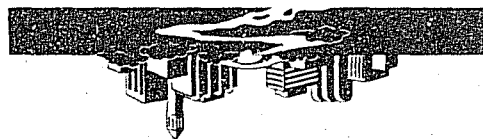
By Dan Scott

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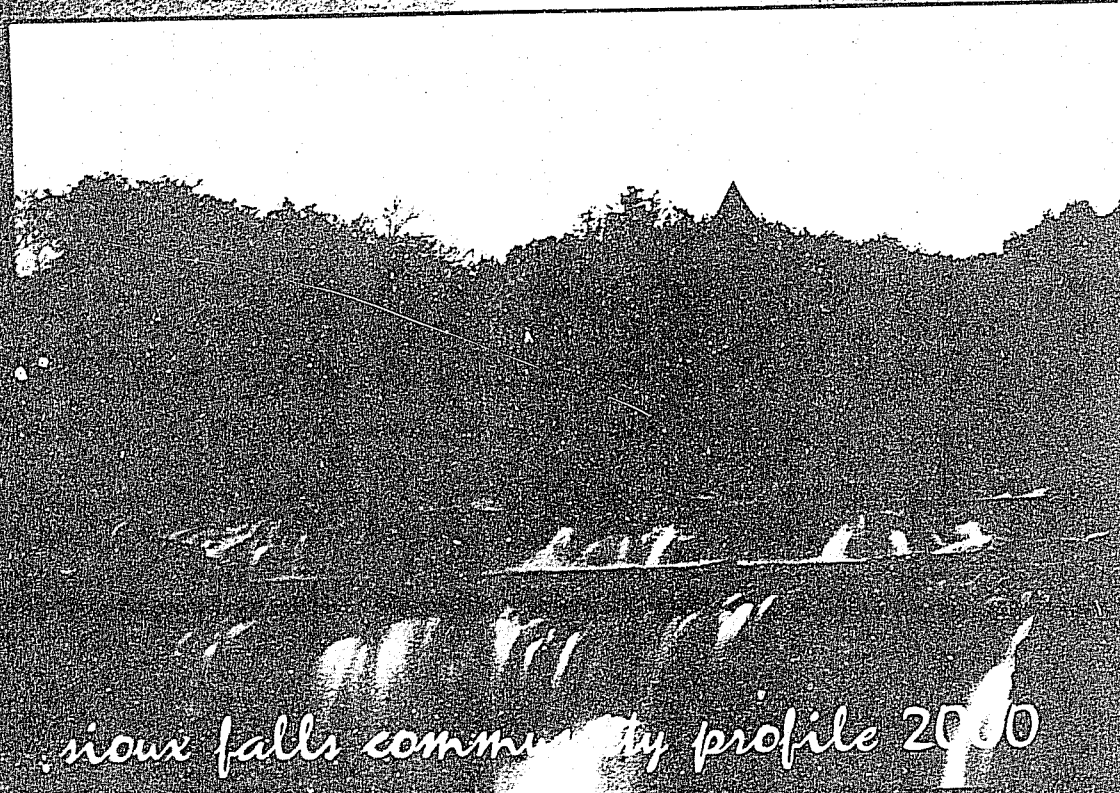
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sioux falls community profile 2000



*The Community Profile is an official publication of the Sioux Falls Development Foundation, Inc.*

*The Sioux Falls Development Foundation is a non-profit development corporation that facilitates the attraction of new businesses, the retention and expansion of existing firms, and the formation of new companies.*

*The Sioux Falls Development Foundation provides a variety of professional services and specific information. Services include business location assistance for new and expanding firms; comprehensive information on industrial park land; available sites and industrial buildings; utilities; demographics; labor information; business and tax climate data as well as information on the quality of life in the community.*

*We hope this publication answers many of the questions you may have about the Sioux Falls area. If you need assistance or if you have more specific questions about Sioux Falls, please contact us.*

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Information presented in the Community Profile is complete to the best of our knowledge at the time of printing. The Sioux Falls Development Foundation is not responsible for errors or omissions resulting from incomplete, incorrect or missing data.

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For many years, Sioux Falls has experienced a constant, manageable growth in population. This steady growth has provided an expanding labor supply for Sioux Falls' businesses and more consumers for goods and services. The median age of Sioux Falls residents is 31.3 years.

**Persons/Households/Families**

<u>City of Sioux Falls</u>	
Total Households	39,790
Persons per Household	2.43
Total Families	25,683
Persons per Family	3.04

Source: 1990 Census Data

**Race Distribution**

<u>Race</u>	<u>Sioux Falls</u>	<u>Minnehaha*</u>	<u>Lincoln*</u>
White	96.8%	96.9%	99.0%
Black	0.7%	0.8%	0.2%
American Indian	1.6%	1.5%	0.4%
Asian/Pacific Islander	0.7%	0.8%	0.4%
Other	0.2%	0.8%	0.2%

Source: 1990 Census Data, \* 1996 Census Data Estimate

**Age Distribution**

<u>Years</u>	<u>Minnehaha</u>	<u>Lincoln</u>
0-14	29,290	4,056
15-44	61,889	6,616
45-64	21,071	2,631
65+	14,834	1,703

Source: 1991 Census Data Estimates / State Data Center, University of South Dakota

**Population Projections - Sioux Falls**

<u>Year</u>	<u>Low</u>	<u>Medium</u>	<u>High</u>
2005	129,000	132,000	135,000
2010	140,000	144,000	148,000
2015	152,000	156,000	160,000
2020	165,000	169,000	173,000

Source: City of Sioux Falls Planning Department

**Population - Sioux Falls / Minnehaha County / MSA**

<u>Year</u>	<u>Sioux Falls</u>	<u>Increase</u>	<u>Minnehaha County</u>	<u>Increase</u>	<u>MSA*</u>
1900	10,266		23,926		23,926
1910	14,094	37.3%	29,631	23.8%	29,631
1920	25,202	78.8%	42,490	44.1%	42,490
1930	33,362	32.4%	50,872	19.7%	50,872
1940	40,832	22.4%	57,697	13.4%	57,697
1950	52,699	29.1%	70,910	22.9%	70,910
1960	65,466	24.2%	86,575	22.1%	86,575
1970	72,468	10.7%	95,209	10.0%	95,209
1980	81,343	12.2%	109,435	14.9%	109,435
1985	94,200	15.8%	116,100	6.1%	116,100
1990	100,814	7.0%	123,023	6.0%	123,023
1991	102,500	1.7%	125,000	1.6%	125,000
1992	105,000	2.9%	126,000	0.8%	126,000
1993	107,000	1.9%	130,000	3.2%	145,000
1994	110,000	2.8%	132,000	1.5%	149,000
1995	112,500	2.3%	133,300	1.0%	151,291
1996	114,070	1.4%	135,800	1.9%	153,466
1997	115,000	0.8%	140,000	3.1%	158,000
1998	117,500	2.2%	142,000	1.4%	160,670
1999	120,500	2.6%	144,800	2.0%	165,000
2000	124,000	2.9%	149,750	3.4%	170,000

Prior to December 31, 1992, the Sioux Falls Metropolitan Statistical Area consisted of Minnehaha County. On December 31, 1992, the Federal Office of Management and Budget revised the MSA designation to include Lincoln County.



## Sex Distribution

	Female	Male
Sioux Falls	52.4%	47.6%
Minnehaha County	48.1%	51.9%
Lincoln County	50.1%	49.8%

Source: 1990 Census Data

## Income Information

### Sioux Falls MSA

Median Family Income \$53,200

Source: US Department of Housing & Urban Development

### Sioux Falls MSA

1998 Personal Income Per Capita \$23,547

Source: United States Census Bureau Web Site

### State of South Dakota

1998 Median Household Income \$29,578

1998 Median Income-4 Person Family \$42,269

1998 Average Annual Pay \$21,648

As the largest retail center between Denver and Minneapolis/St. Paul, Sioux Falls offers the consumer a vast selection of goods with 3,228 retail stores located throughout the metropolitan area. Approximately one fifth of the area's labor force are employed in retailing. The retail trade area is very large and has over 350,000 consumers. In 1999, per-household retail sales were \$41,050, compared to the national average of \$27,588.

## Effective Buying Income (EBI)

The Sioux Falls Metropolitan Statistical Area (MSA) has a median household effective buying income (EBI = all personal income less personal tax non-tax payments) of \$41,611 and ranks 37th out of the nation's 321 largest metropolitan areas. This compares to the 1998 EBI of \$41,108. The total EBI for the MSA reached \$3.2 billion in 1999, compared to \$3.1 billion in 1998.



## Percent Retail Sales

Automotive Dealer/Gas Service	27.1%
Food Store	8.7%
General Merchandise Store	11.4%
Eating/Drinking Places	6.5%
Apparel/Accessories Store	5.7%
Hardware/Garden/Mobile Home	8.4%
Furniture/Appliance/Furnishings	9.2%
Other Retail Stores	23.0%

## % of Households by EBI Group

Group	Percent
\$20,000-\$34,999	23%
\$35,000-\$49,999	20%
\$50,000 and over	36%

## Sioux Falls Metro Area Statistics

		Rank
Total Population	162,100	228
Black Population	1,500	293
Hispanic Population	1,400	292
Asian/Pacific Islander Population	1,300	260
Median Age	33.2	239
Total Households	62,400	224
Total Effective Buying Income	\$3,240,213,000	199
Median Household EBI	\$41,611	37
Households with EBI of \$150,000+	1,700	156
Buying Power Index (BPI)	10755	198
Total Retail Sales	\$2,561,536,000	185
Per-household Retail Sales	\$41,050	
Food Store Sales	\$318,632,000	211
Eating/Drinking Place Sales	\$237,063,000	181
General Merchandise Store Sales	\$371,186,000	185
Furniture/Home Furnishing/Appliance Sales	\$119,803,000	181
Drug Store Sales	\$70,233,000	203
Automotive Dealer Sales	\$803,193,000	155
Apparel & Accessories Store Sales	\$99,043,000	173
Gasoline Service Station Sales	\$160,336,000	178
Building Materials/Hardware Stores Sales	\$105,683,000	243
Total Business Establishments	5,249	193

Source: Sales & Marketing Management Survey of Buying Power, 1999

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## Major Non-Government Employers

Sioux Valley Hospital	4,500
Citibank (South Dakota) N.A.	3,200
John Morrell & Company	3,100
Avera McKennan Hospital	3,060
Gateway, Inc.	1,800
Midwest Coast Transport	1,420
Hy-Vee Food Stores	1,144
Norwest Bank/Operations Center	1,110
Hutchinson Technology	1,050
Specialized Card Services	1,050
Evangelical Good Samaritan Society	962
Sunshine Food Markets	900
Bankfirst	760
Associates Commerce Solutions	750
Sioux Vocational Services	735
Central Plains Clinic	709
First Premier Bank	625
Lewis Drug, Inc.	600
Raven Industries	593
Dakota King	560
United Parcel Service	550
Communication Services for the Deaf	500

During the last decade, Sioux Falls enjoyed healthy, sustained growth in its population and economic base. This trend began in 1981 with the location of Citibank and continued with the location of several other financial services companies. Although the area has been at "full employment" for several years, new families have continued to move to the area and companies have been successful in attracting workers from surrounding communities. The Sioux Falls area labor force is very mobile and workforce projections show that the local labor market is capable of accommodating large employers.

The interstate highway network serving Sioux Falls contributes to a wide labor market area. The Sioux Falls labor market area includes twelve counties in three states: Minnehaha, Lincoln, Brookings, Clay, Lake, McCook, Moody, Turner and Union counties in South Dakota; Lyon county in Iowa; and Rock and Pipestone counties in Minnesota.

More fulfilling career opportunities, metropolitan area amenities, ready access to educational resources, downturns in the regional farm economy, and other factors have contributed to a general migration of job-seekers from many rural areas and small towns in eastern South Dakota and the surrounding region to Sioux Falls. This, plus the growing regional economic influence of Sioux Falls, and its expanding population have had a positive effect on the labor supply.

## Civilian Labor Force, Employment & Unemployment Minnehaha County

Year	Labor Force	Employment	Unemployment	%Unemployed
1980	63,142	60,243	2,899	4.6%
1990	74,228	72,125	2,103	2.8%
1991	76,418	74,442	1,976	2.6%
1992	77,863	75,998	1,865	2.4%
1993	79,160	77,260	1,900	2.4%
1994	76,192	74,391	1,801	2.4%
1995	79,842	78,080	1,761	2.2%
1996	82,910	81,272	1,638	2.0%
1997	85,116	83,583	1,533	1.8%
1998	91,190	88,925	1,432	1.6%
1999	90,801	89,404	1,397	1.5%

### Non-Agricultural Wage & Salary Employment - Minnehaha County/MSA

	Manufacturing	Non-Manufacturing	Total
1990	7,850	46,220	54,070
1990	8,433	64,734	73,167
1991	9,558	68,184	77,742
1992	10,100	70,625	80,725
1993	10,342	73,358	83,700
1994	11,600	78,558	90,158
1995	12,383	83,709	96,092
1996	12,892	85,933	98,825
1997	13,733	87,734	101,467
1998	14,642	92,191	106,833
1999	14,800	94,858	109,658

\* Employment numbers are for Minnehaha & Lincoln Counties which now comprise the Metropolitan Statistical Area.

### Labor Available - Minnehaha County, 1999

	Minnehaha County	12 County Area
Total Civilian Labor Force	90,801	166,224
Unemployed	1,397	2,316
Persons willing to change jobs or enter labor force	4,388	8,087
Total Available Labor Supply	5,785	10,903

### Employee Training Programs

A trained productive workforce is necessary for success in business. Excellent training resources are available in Sioux Falls to prepare workers for all types of businesses. Industrial based training offers new or expanding firms the ability to acquire a trained workforce prior to or during company start-ups. Classroom instruction and on-the-job training are also available as well as a pre-employment/motivational course. Southeastern Technical Institute offers a wide variety of classes to meet the needs of industry. In addition, customized training programs can be designed for specific company requirements. Financial assistance is available for training new workers or upgrading the skills of existing workers.

### Employees, Payroll & Establishments by Industry, MSA, 1997

Industry	Annual Payroll	Employees	Establishments
Agriculture	N/A	N/A	87
Construction	\$128,071,000	3,989	615
Manufacturing	353,435,000	13,245	215
Transportation/Utilities	174,112,000	6,044	377
Wholesale Trade	193,144,000	6,438	472
Retail Trade	272,028,000	20,269	1,204
Finance/Insurance/Real Estate	274,336,000	10,021	599
Services	761,249,000	32,486	1,827
Total	\$2,170,789,000	92,937	5,433

Source: County Business Patterns



### Availability of Labor

The estimated available labor supply in the twelve county area is 10,903. Although the published unemployment rates have remained low in South Dakota, there are various other sources of labor available. Many workers are presently employed, but are either underemployed or are willing to take a different position if the jobs are available. Businesses have found a significant number of underemployed workers in the area (many with college degrees). It is difficult to determine the exact number however, because they are not identified by labor market assessments that rely solely on statistical unemployment figures. Most of these workers are anxious to find employment opportunities that are more compatible with their training. Other potential employees may be found in the pool of people who are not actively seeking employment, but would be willing to work if the opportunity was there.

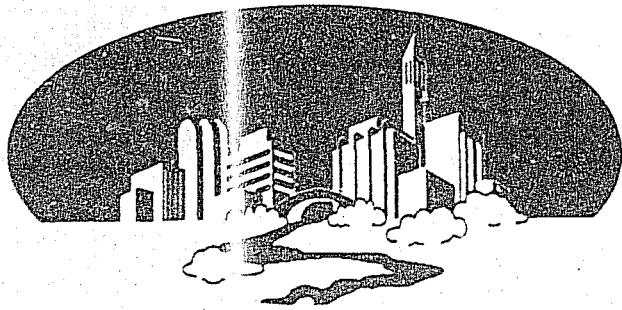
### "Right to Work" Law

In South Dakota, employees are protected by the "Right to Work" law. Under this statute, any industry that is unionized is done so under "open shop" conditions. This means it is illegal for employees to be discriminated against because of membership

or non-membership in the union by either management or other employees.

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## Commercial Airline Flights

January / 2000

### Departures

9	flights to Minneapolis
6	flights to Denver
3	flights to Chicago
3	flights to St. Louis
3	flights to Rapid City
1	flight to Spencer

### Arrivals

9	flights from Minneapolis
6	flights from Denver
3	flights from Chicago
3	flights from St. Louis
3	flights from Rapid City
3	flights from Pierre
1	flight from Spencer

## Highways

Sioux Falls is one of America's crossroads cities, located at the junction of two interstate highways, Interstate 90 and Interstate 29. Interstate 90, joining Boston and Seattle, is one of the five coast-to-coast east-west freeways. Interstate 29 runs north-south and joins Kansas City with Winnipeg. I-229 joins I-29 with I-90 south and east of the city creating an interstate loop to enhance traffic flow.

## Over-the-Road Transportation

Over-the-road freight service is well provided for in Sioux Falls. Over 50 truck lines serve Sioux Falls with many maintaining terminal facilities locally. Leading national and regional carriers serving Sioux Falls are capable of handling all types of freight.

## Express Delivery Service

Small package delivery, including overnight air carrier service, is readily available in Sioux Falls. UPS, Federal Express, and Airborne have air cargo facilities at the Sioux Falls airport and operate jet freighters on a daily basis. Sioux Falls houses a district terminal of UPS and a modern Federal Express facility is located in the Sioux Empire Development Park.

## Rail Service

Rail service to and from Sioux Falls is provided by the Burlington Northern Santa Fe Railroad. Burlington Northern Santa Fe provides service nation-wide with over 25,000 miles of track, and can accommodate all types of materials. The Ellis and Eastern provides service within the City and connects with Burlington Northern. Direct connections with dock spurs and freight forwarding service is available from both railroads.

## Air Transportation

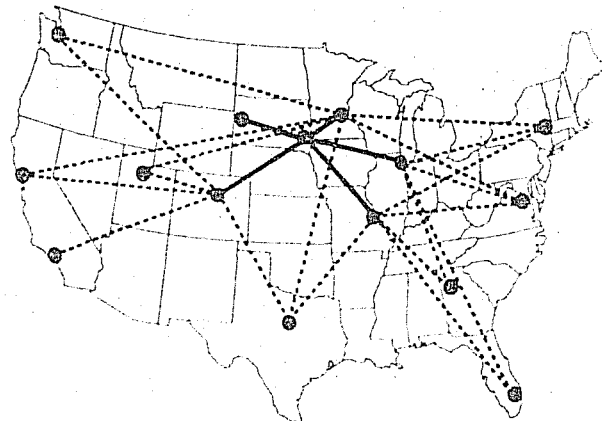
Joe Foss Field, Sioux Falls' regional airport, is located approximately two miles northwest of the city's central business district. The airport is the largest in South Dakota and is very important to the region with 107,679 landings and takeoffs in 1999. The terminal, built in 1970 and completely remodelled in 1991, accommodated 359,158 passengers in 1999, and is one of the best terminals in the Upper Midwest.

Sioux Falls is currently served by six scheduled air carriers including Northwest, United, TWA, Northwest Airlink, Air Wisconsin and Atlantic Coast. Northwest, TWA, and United provide daily jet service to St. Louis, Denver and Minneapolis/St. Paul. Business Aviation provides charter service.

## Aircraft Operations

Year*	Takeoffs/ Landings	Airline Boardings
1980	99,948	233,985
1990	88,168	233,257
1991	87,173	228,881
1992	94,488	281,389
1993	90,516	267,379
1994	99,110	283,491
1995	90,760	286,707
1996	99,948	336,694
1997	88,435	354,527
1998	96,760	344,854
1999	107,679	359,158

Source: Sioux Falls Regional Airport Authority





### Residential Housing Costs

#### Median Home Price

4th Quarter 1993	\$75,800
4th Quarter 1994	\$80,100
4th Quarter 1995	\$85,500
4th Quarter 1996	\$90,300
4th Quarter 1997	\$90,000

Source: National Association of Realtors

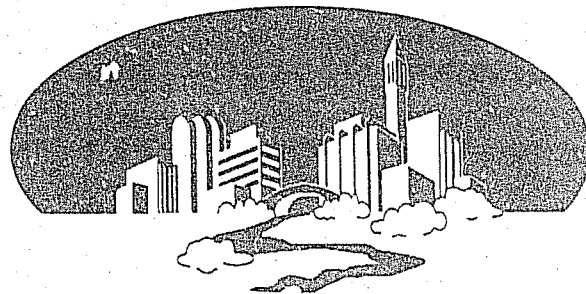
### Monthly Apartment Rent

Type of Apartment	Range
Efficiency	\$309-\$450
1 Bedroom	\$325-\$550
2 Bedroom	\$425-\$700
3 Bedroom	\$585-\$800

Source: Rental Connection

### Housing Units - Sioux Falls

1990	41,568
1995	47,000
1998	50,100
1999	51,300
2000	52,640

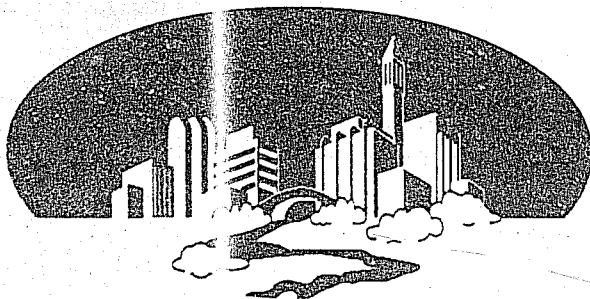


### Cost of Living Index

American Chamber of Commerce Research Association's Cost of Living Indicators  
Inter-City Index (U.S. Average is 100) - 3rd Quarter, 1999

Component	100.0	17.0	22.0	11.0	13.0	7.0	30.0
Weight	All Items	Food	Housing	Utilities	Transportation	Health	Misc. Services
Denver	108.3	103.5	123.0	85.5	110.8	129.5	99.7
Minneapolis	106.4	99.3	105.3	103.5	108.5	132.3	106.9
Milwaukee	105.7	101.8	120.5	90.8	105.5	100.0	99.6
Grand Forks	105.3	100.1	117.3	94.5	96.4	98.5	104.0
Lincoln	103.1	101.6	115.6	84.4	108.2	88.7	98.5
Rapid City	100.0	102.8	94.4	121.8	95.6	93.3	100.4
St. Louis	97.3	99.6	95.9	96.1	99.5	105.7	95.7
Cedar Rapids	96.9	89.3	95.0	114.9	100.2	91.9	97.7
Sioux Falls	96.1	95.9	92.4	90.3	97.2	103.7	99.2
Omaha	94.7	97.1	96.8	92.2	98.9	92.7	91.5

Cost of living



*The Sioux Falls economy continues to thrive. Companies continue to open new facilities in Sioux Falls while established companies expand; creating new jobs, infusing new capital, and broadening our tax base. Since 1990, over \$1.9 billion worth of construction has occurred, 11,481 new housing units have been built, and non-farm wage and salary employment has increased by over 30,000.*

### U.S. Postal Service Revenue Sioux Falls

Year	Value of Postal Receipts
1980	\$8,345,811
1990	\$59,247,000
1991	\$61,358,509
1992	\$64,403,859
1993	\$71,192,904
1994	\$75,961,536
1995	\$98,501,855
1996	\$112,376,251
1997	\$112,752,661
1998	\$86,604,529
1999	\$87,000,000

Source: Sioux Falls Postmaster

### Electricity Customers

Year	Residential Customers
1980	29,478
1990	39,308
1991	40,505
1992	42,933
1993	51,040
1994	51,255
1995	52,609
1996	53,554
1997	55,868
1998	57,221
1999	57,643

Source: Northern States Power

### Gas Customers

Year	Customers
1980	27,465
1990	34,013
1991	35,670
1992	36,434
1993	37,500
1994	38,754
1995	39,320
1996	41,240
1997	44,280
1998	45,174
1999	45,962

Source: MidAmerican Energy

### Building Construction 1999

#### City of Sioux Falls

Type	Value
New Residential	\$96,700,000
Residential Additions/Remodel	20,100,000
New Non-Residential	67,600,000
Non-Residential Additions/Remodel	72,900,000
Total	\$263,058,767
1999 # of Permits Issued	5,756

Source: Planning & Building Services, City of Sioux Falls

#### Minnehaha County

1999 # of Permits Issued - Unincorporated Areas:	494
Value - Unincorporated Areas:	\$24,163,468

Source: Minnehaha County Planning Department

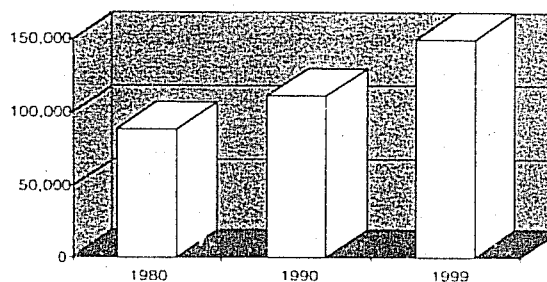
#### Lincoln County

1999 # of Permits Issued:	248
Value:	\$19,696,430

Source: Lincoln County Planning Department

### Motor Vehicle Registrations

#### Minnehaha County



Source: Minnehaha County Treasurer's Office

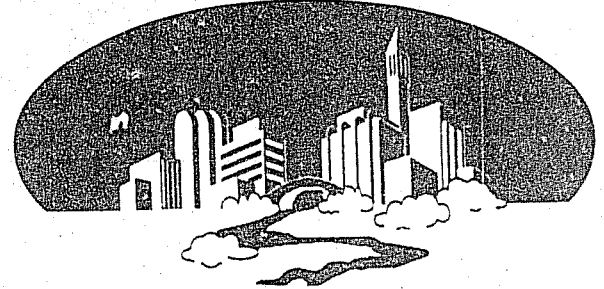
**Estimated Actual Value of Taxable Property - City of Sioux Falls**

Fiscal Year	Estimated Actual Value
1980	\$1,110,830,316
1990	\$2,305,638,795
1991	\$2,399,698,556
1992	\$2,586,522,795
1993	\$3,006,805,463
1994	\$3,189,188,632
1995	\$3,519,604,521
1996	\$3,812,516,817
1997	\$3,975,807,984
1998	\$4,107,897,864
1999	\$4,739,676,610

**Lincoln County**

Fiscal Year	Estimated Actual Value
1993	\$571,000,000
1994	\$636,658,000
1995	\$707,970,975
1996	\$771,887,843
1997	\$818,701,946
1998	\$893,262,872
1999	\$977,535,705

Source: Minnehaha County Director of Equalization & Lincoln County Planning Office



**Assets of Sioux Falls Financial Institutions**

Year	Bank Assets	S&L Assets
1980	\$1,118,334,000	\$269,308,000
1990	\$14,562,633,000	\$481,368,000
1998	\$21,543,240,000	\$559,244,000
1999	\$23,070,972,000	\$658,104,000

Source: 1998 & 1999: Federal Deposit Insurance Corporation (FDIC); 1980 & 1990: Ninth District Federal Reserve Bank & Office of Thrift Supervision

**Gross Sales & Taxable Sales, 1999**

**Sioux Falls**

Sector	Gross Sales	Taxable Sales
Manufacturing	\$565,564,642	\$80,170,620
Wholesale Trade	1,084,307,845	325,749,786
Retail Trade	3,317,947,728	1,581,770,088
Finance/Insurance/Real Estate	51,655,449	65,937,007
Services	1,168,529,776	465,833,507
Other	175,953,720	84,550,574
Total	\$6,363,959,160	\$2,604,011,582

**Minnehaha County**

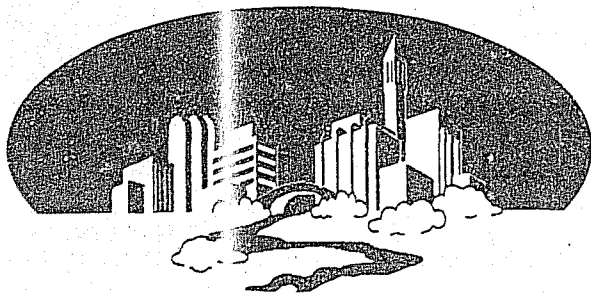
Sector	Gross Sales	Taxable Sales
Manufacturing	\$606,052,399	\$83,964,005
Wholesale Trade	1,197,854,616	338,245,148
Retail Trade	3,478,454,099	1,649,718,363
Finance/Insurance/Real Estate	52,565,094	66,836,634
Services	1,233,948,424	487,620,427
Other	197,000,281	96,438,704
Total	\$6,765,874,913	\$2,722,823,281

**Lincoln County**

Sector	Gross Sales	Taxable Sales
Manufacturing	\$25,880,715	\$7,352,044
Wholesale Trade	72,408,548	6,822,093
Retail Trade	177,622,513	63,044,912
Finance/Insurance/Real Estate	647,997	539,639
Services	85,009,460	25,105,969
Other	12,960,320	6,567,064
Total	\$374,529,553	\$109,431,721

Source: SD Department of Revenue

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*A number of telecommunications companies provide local and long distance service in and around Sioux Falls. Virtually any voice and data telecommunications service your company may need is available. Below is a list of the local companies serving Sioux Falls and the services they provide.*

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### **Local Telecommunications**

#### **ionex telecommunications, inc.**

ionex is a regional communications company known locally as Firstel, an operating subsidiary. ionex customers can choose from a number of services, including: local, regional (INTRALATA), and long distance. In addition, customers have access to special services that include: Hunting, Call Forwarding, Call Transfer, Call Pick-up, Three-Way Calling & Call Waiting. Sophisticated, enhanced services enable small-to-medium sized businesses to more fully realize the benefits telephone technology is developing. Enhanced services include: setting up you own conference call, utilizing Voice Mail, managing your time with Caller ID, returning calls fast with Last Call Return. If your needs include Frame Relay, ISDN, T1 and Centrex Services, ionex can provide these services. ionex, along with technology partner Lucent, brings the latest technology to customers. For more information contact ionex - FIRSTEL at (605) 332-3232.

#### **McLeodUSA**

McLeodUSA is an integrated telecommunications company headquartered in Cedar Rapids, Iowa. The company provides services in 22 Midwest & Rocky Mountain States, with expansion plans in 9 more states. Founded in 1991, the company is a facilities-based telecommunications provider with 27 switches, 679,000 local lines & over 10,000 miles of fiber optic network. In 1999, McLeod merged with Dakota Telecommunications Group. This division is currently constructing a network to carry competitive cable TV, local & long distance telephone services, dial-up Internet, Digital Subscriber Line (DSL), as well as new technologies such as cable modems & wireless Internet to business & residential customers. Optional calling features include: call forwarding, call pickup, call waiting, caller ID, conference plus, trunk hunting, last call return & speed calling. For residential service, contact McLeodUSA at 605-965-9393, for business service call 605-361-1122 in Sioux Falls. For communities outside Sioux Falls, call 1-800-239-7501.

#### **Midcontinent Communications**

Midcontinent Communications is a local company providing Local Telephone Service and features, Long Distance Service, Toll-Free 800 Service, International

Long Distance, Calling Cards, Local/Regional/National Paging, and High Speed Internet Access. Midcontinent Communications is a facilities based provider using a combination of fiber optic, hybrid fiber coax, and copper networks all switched locally. Very competitive commercial and residential packages including Cable TV, Telephone, and Internet services are available. For details, call Midcontinent Communications at (605) 334-1200.

#### **US WEST Communications**

U S WEST offers diverse telecommunications products and services that can be customized to meet unique needs of individual businesses. Basic service offerings include: local telephone service, long distance service, local and national directory assistance, operator services, data services and directory services. Other popular services available from U S WEST include: call management and custom local access signaling services, e.g. Call Waiting and Caller ID; DID; Voice Messaging; Centrex Service; business continuation services; dedicated circuits (analog & digital), ATM cell relay services; MegaBit (DSL) access services; Internet Services, Frame Relay; ISDN; DS1 (T1) and DS3 (T3) services; SwitchNet 56; Synchronous Service Transport (OC3 and above); and video services. For more information about these telecommunication services and others, please contact U S WEST at (605) 339-5502.

### **Long Distance Telecommunications**

Long distance network service is provided by AT&T, Sprint, MCI, World Com, and a number of other independent resellers.

#### **Point of Presence**

AT&T, MCI and Sprint all maintain Points of Presence in the community.



## Water - Sioux Falls

Five sources of water are available to the City of Sioux Falls. The Big Sioux Aquifer provides 48 percent of the water from 50 wells. The Big Sioux River provides 42 percent of the water from a pump station, the Lower Skunk Creek Aquifer produces 2 percent from one well and the Middle Skunk Creek Aquifer produces 10 percent from 13 wells.

A total of 21,700,000 gallons of water can be stored, with 2,500,000 gallons in three elevated tanks, 14,200,000 gallons in four underground concrete reservoirs, and 5,000,000 gallons in a steel ground storage reservoir.

Residents in rural communities throughout Minnehaha and Lincoln Counties are served by local municipalities, rural water systems or individual water sources. For information on rates in Minnehaha County contact the Minnehaha County Economic Development Association at 339-0103. For information on Lincoln County rates, contact Lincoln County Rural Water System at 743-2966. South Lincoln Rural Water at 372-4211, or the local municipality.

### Monthly Residential Water Rates

Customer Charge*	\$1.07-\$62.63
Commodity Charge**	\$1.40 - 1.50 per 100 cubic feet

\*depending on meter size

\*\*depending on volume consumed

### Monthly Commercial Water Rates

The City of Sioux Falls oversees the municipal water system. The following per month rates apply to consumers taking water from the municipal water system for commercial purposes in quantities not exceeding 6.5 million cubic feet per month.

Demand Charge*	\$4.44 - 62.63
Commodity Charge**	\$1.14 - 1.22 per 100 cubic ft.

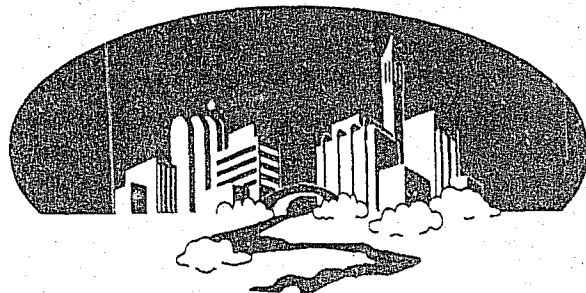
\*depending on meter size

\*\*depending on volume consumed

### Large Industrial Water Rates

The following per month rates apply to consumers taking water from the municipal water system for commercial or industrial purposes in excess of 6.5 million cubic feet per month.

Monthly Demand Charge	\$568.32
Commodity Charge/100 cu. ft. of water:	\$0.80



### Water Analysis

	mg/L Raw Range	Treated Average
Total Hardness as CaCO <sub>3</sub>	176-686	273
Calcium (Ca) as CaCO <sub>3</sub>	70-460	160
Magnesium (Mg)	40-312	113
Manganese (Mn)	0-3.72	<0.02
pH	7.0-8.9	8.84
Total Alkalinity, M.O.	92-330	38
Total Iron (Fe)	0.05-3.1	<0.05
Nitrite (NO <sub>2</sub> )	<0.01	<0.01
Chloride (Cl)	20-28	28
Fluoride (F)	0.02-0.28	1.27
Sulfate (SO <sub>4</sub> )	35-355	236

### Wastewater Treatment - Sioux Falls

The Sioux Falls Department of Water Reclamation oversees wastewater treatment for the City. The City currently has primary, secondary and tertiary treatment facilities. A \$56 million dollar state-of-the-art wastewater treatment facility has an average flow capacity of 19.7 million gallons per day and can handle a peak flow of up to 42 million gallons per day.

### Monthly Residential Sewer Rates

Customer Charge	\$1.38
Commodity Charge*	\$1.23 per cubic foot

\* winter average used for non-winter months.

### Commercial and Industrial Rates

Commercial Rates	\$1.21 per 100 cubic feet
Industrial Rates	\$1.57 per 1,000 gallons

The following rates apply if the concentration of waste exceeds 210 mg/l BOD, 220 mg/l TSS, or 100 mg/l grease. The surcharge is based on the amount of waste that exceeds the above concentrations.

Flow	\$0.50 per 1,000 gallons
TSS	0.08 per pound
Grease	0.25 per pound
BOD	\$0.08 per pound

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*We wish to recognize the generous  
support of our investors*

**The Communities of...**

*Beresford*

*Canton*

*Harrisburg*

*Lennox*

*Tea*

*Worthing*

**In Addition to...**

*Beresford Economic Development Corporation*

*Canton Economic Development Corporation*

*East River Electric*

*Farmer's State Bank, Canton*

*First American Bank & Trust, Canton*

*First Federal Bank, Beresford*

*First Savings Bank, Beresford*

*Harrisburg Area Development Corporation*

*Home Federal Bank, Canton & Lennox*

*Lennox Area Development Corporation*

*Lincoln County*

*McLeod / DTG*

*MidAmerican Energy Company*

*North Lincoln Rural Water*

*Southeastern Electric Cooperative*

*South Lincoln Rural Water*

*Valley Exchange Bank, Lennox & Tea*

*Xcel Energy / NSP*

**Hors d'oeuvres compliments of:**

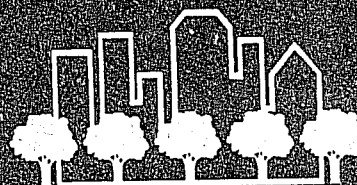
*East River Electric*

*MidAmerican Energy Company*

*Southeastern Electric Cooperative*

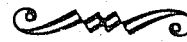
*Xcel Energy / NSP*

**2000**  
*Annual Meeting  
of the  
Membership*



**LCEDA**  
*Lincoln County  
Economic Development  
Association*

*November 28, 2000*



## **PROGRAM**

**- Call to Order -**

*Dick Hempel, President  
Lincoln County Economic  
Development Association*

**- Welcome -**

*Bob Bogue, Acting Mayor  
City of Beresford*

**- Report to the Membership -**

*Jeff Eckhoff, Executive Director  
Lincoln County Economic  
Development Association*

**- Business Meeting -**

*Mary Thoen, Secretary-Treasurer  
Lincoln County Economic  
Development Association*

**- Legislative Forecast -**

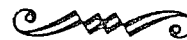
*Dan Nelson, Director of Public Affairs  
Sioux Falls Area Chamber of Commerce*

**- Recognition of  
Retiring Board Members -**

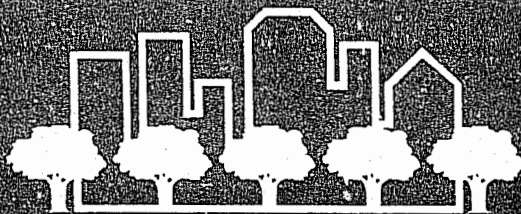
*Dick Hempel*

**- Closing Comments -**

*Dick Hempel*





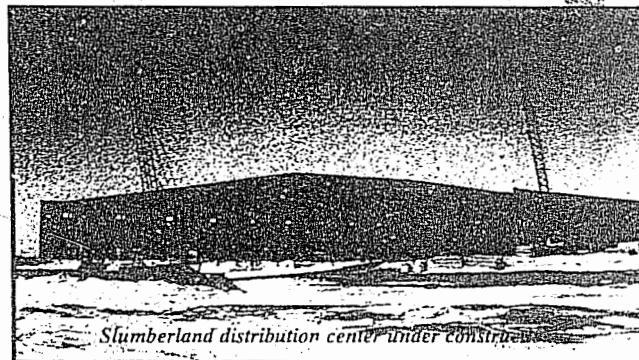


## Lincoln County Economic Development Association

### Lincoln County attracts new companies

The past year has brought several new names to Lincoln County, and has seen the expansion of other well-established firms. One of the biggest announcements of 2000 was the decision by corporate officials of Slumberland, Inc. to locate a new distribution center and outlet store in Beresford. The 157,000 square foot warehouse and 10,000 to 12,000 square foot furniture outlet center is being built on a 21-acre site.

Slumberland operates 67 retail furniture stores in a seven state area of the Midwest,



*Slumberland distribution center under construction*



*Jim Schmidt, Marshall Dresler, Tony Bour, Jim Albers, Jeff Eckhoff and Jim Herbert at the Showplace Wood Products ribboncutting.*

including a new facility built in the Meadows on the River area in Sioux Falls and seven other stores in South Dakota. The company had total sales in 1999 of \$238 million and, in addition to its retail furniture stores, has corporate offices in St. Paul. The Beresford facility will employ over twenty in the warehouse and up to three salespeople in the outlet store.

Showplace Wood Products, located in the Harrisburg Industrial Park, had a ribboncutting for their new facility in October. While the

*Continued on page 2...*

## LCEDA

*in cooperation with the*

### Sioux Falls Development Foundation

Phone (605) 339-0103 • Commerce Center, 200 North Phillips Avenue • PO Box 907, Sioux Falls, SD 57101-0907



## New companies

Continued from page 1...

company only began production of wood cabinets in February, 2000, the original 70,000 square foot plant near Harrisburg is already being augmented by additional space for the company in Beresford. The cabinet manufacturing firm has additional space to build in the Harrisburg park in the future, according to showplace president Tony Bour.

Other expansions in the county during 2000 include additions to the Koyker plant in Lennox, growth at the Behr Heat Transfer facility in Canton and the planned construction of a Get & Go convenience store in Tea.

"The message of the year 2000 is that business people are beginning to see the potential of Lincoln County," said Jeff Eckhoff, LCEDA executive director. "The diversity of business growth in the county during the past year points to a clear understanding of the advantages of a location in the LCEDA communities."



## Lincoln County sales tax increases show consistent growth

An increase in sales tax collections is one very tangible benchmark of economic strength in a community. According to the South Dakota Department of Revenue, Business Tax Division, every community in LCEDA showed sales tax increases for the past fiscal year. The state has posted FY2000 taxable sales numbers against 1999 showing a **\$6.1 million increase**.

Once again, Tea showed the largest increase, up \$3.4 million from 1999, while taxable sales were up \$1.4 million in Canton and about \$100,000 in Harrisburg and Worthing. Taxable sales increases for the remainder of Lincoln County between 1999 and 2000 were up a total of \$4.6 million.

"When sales tax collections are up, it simply means more people are spending more money in Lincoln County," said Jeff Eckhoff, executive director of the development organization. "We measure growth in many ways, but these strong sales tax numbers indicate confidence as well as economic growth, and that's a good sign for the future."



LCEDA Board of Directors from left to right: Dick Hempel, Sue Albert, Mike Konda, Virg Fodness, Marshall Drexler, Mary Thoen and Dan Cotton. Not pictured are: Dick Hoffman, Mark Rodvold and Jim Schmidt.

## President's Message



Dick Hempel

The year 2000 has been a prime example of what **can** happen in a county like ours when individuals work together for a common goal. The partnership forged with the Sioux Falls Development Foundation and with the Minnehaha County Economic Development paid dividends this year, not only in terms of bricks and mortar, but also in public awareness. Our combined communication plan came on-line with a new newsletter, monthly newspaper columns and a colorful new two-county brochure.

This year was marked by significant building, in the Harrisburg Industrial Park and with the construction of the Slumberland distribution center in Beresford. Housing construction was strong throughout the county, as you will see from this report, and the communities which comprise LCEDA continued to show strong growth.

Among the most important relationships our organization maintains are those with communities in our county. We saw, during the past year, increases in individual community development as community leaders became more and more aware of the critical nature of economic development.

Once again, we express our thanks to the communities, financial institutions and utility companies who comprise our list of investors. Along with the dedicated and committed members of our volunteer board and our hard-working executive director, Jeff Eckhoff, our investors are making things happen in Lincoln County. Because of their confidence in the future of our county, LCEDA looks forward to even greater achievements in this new millennium.



# Building the future in Lincoln County

An exceptional year—that's the best way to describe 2000. During the past year we have seen extraordinary activity, with the decision of Slumberland to locate in our area, with the rapid growth of Showplace Wood Products and with many other companies in our county. This kind of growth in one year is unusual—but welcome, as more and more business executives and families discover the advantages of a Lincoln County location.

During 2000, twenty companies, representing 1,035 new jobs, made inquiries about locating, expanding or starting a business in Lincoln County. We are still working with a significant number of those businesses today. As you will notice in the Community Snapshot section of this report, housing construction also remains strong throughout the county. In addition, sales tax collections were up in every LCEDA community for the fiscal year.

During 2000, it has been a high priority to strengthen our marketing position both with prospective new businesses outside the county and with expanding businesses and residents within Lincoln County. With our newsletter and our monthly columns in weekly newspapers, we have tried to outline some of the ways in which people inside Lincoln County can become involved in the economic development of our communities. It has been my pleasure to discuss—often as a direct result of these communications vehicles—some of the critical points about growth and development.

We cannot stress enough, as individuals and as an organization, how important is the role of the average citizen in our communities. Along with the Main Street businessperson, the people who keep our schools, churches and public institutions strong are our most important asset. The biggest attraction of Lincoln County is that it's a great place to live and work. More people than ever are finding that out. We need to continue to spread the word.



By [illegible]

## Executive Director's Report

### 2000 LCEDA Board of Directors

Dick Hempel, LCEDA President,  
City of Lennox

Dick Hoffman, LCEDA Vice-President,  
City of Canton

Mary Thomas, LCEDA Secretary-Treasurer,  
Fossil Energy, At Large

Steve Albert, City of Tea

Dan Cotton, City of Beresford

Marshall Drexler, City of Harrisburg

Virg Fodness, Southeastern Electric Co-op,  
At Large

Mike Konda, City of Worthing

Mark Rindold, MidAmerican Energy  
Company, At Large

Jim Schmidt, Lincoln County Commission

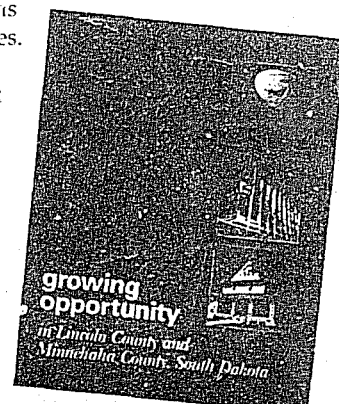
### New color literature illustrates advantages

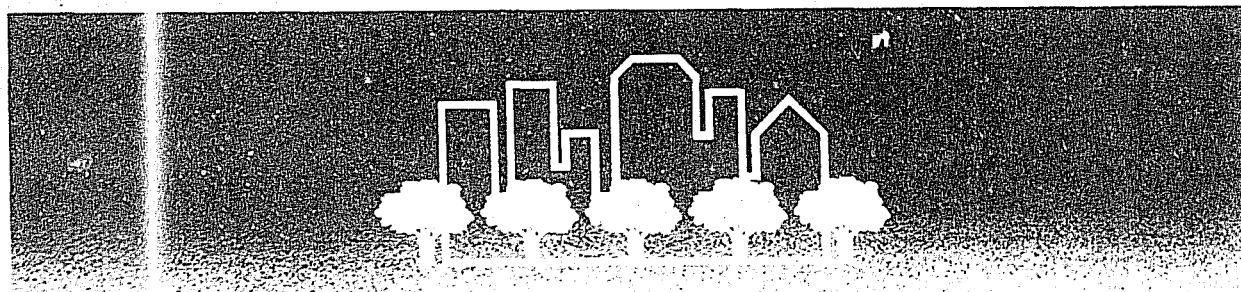
There's a colorful new way for business leaders in the Twin Cities and other major markets to get the picture about the economic and quality of life advantages in the rural communities surrounding Sioux Falls. A new full-color brochure has been produced by LCEDA and our partners in the Minnehaha County Economic Development Association (MCEDA) to use as a contact piece to executives.

"This booklet replaces our previous, black and white brochure," said Dick Hempel, LCEDA president. "A joint marketing committee developed the literature to serve as an introduction to the communities in LCEDA and MCEDA. It shows just how much we have to offer, both from a family life and a business standpoint, in a more regional and coordinated perspective."

The marketing piece features color photographs of businesses, schools and housing in both counties. In addition, business people from Lincoln and Minnehaha County contributed testimonials about the solid benefits of locating here.

"We feel that this brochure really paints an accurate picture of this area," said Jeff Eckhoff, LCEDA executive director. "The testimonials put the advantages of Lincoln and Minnehaha Counties in very human terms—and the photographs show our amenities very well. It's a dramatic and effective piece that we'll be able to use for years to come!"





## Snapshots of Progress in Lincoln County

**Beresford** experienced significant growth in 2000, with upgrades to street and road infrastructure, completion of the Wells Fargo bank and the current renovation of the former Cenex station into a five tenant strip mall along Highway 46. A new certified, non-profit daycare center should be completed by the end of this year, new playground equipment was installed in the city park. Beresford, with a population of 2,000, issued 42 building permits valued at \$8.2 million in 2000.

**Canton**, with a population of 3,250, continued to see growth in 2000 both in residential and industrial construction. The digital infrastructure was upgraded during the past year with improvements to the McLeod USA system and Midcontinent Cable. Local industries remain strong, providing a growing number of jobs to local residents. Building permits in Canton for 2000 totaled 99 at a value of \$2.2 million.

**Harrisburg** has received a \$525,000 loan from the Board of Water and Natural Resources to upgrade its drinking water system, in addition to an earlier \$300,000 grant. The funds will allow this community of 1,050 to construct a new 300,000 gallon water tower and connect to the Lincoln Rural Water System. Last year, 29 building permits, valued at \$1.1 million, were issued.

**Lennox** experienced a strong year for growth, with major additions to the Lennox High School and Koyker Manufacturing, and the construction of a new ambulance garage and meeting room in this vital community of 2,100. An 85 unit manufactured home development is being built in the southwest corner of town. During the past year, 57 building permits, valued at \$2.675 million, were issued.

**Tea** continues to be one of the fastest growing communities in the county. With a current estimated population of 1,800, Tea experienced strong residential

construction in 2000, adding 37 new homes. The city annexed approximately 102 acres to the north, 8.65 acres to the south and 17.91 acres to the east. The building permit total for 2000 was 80, with a valuation of \$4.6 million.

In **Worthing**, a contest to devise a new slogan for the community awarded the prize to "Worthing—A quiet place to call home." A new park and ball field are planned for the future. Housing is still strong in this community of 700, which issued nine building permits last year, with a total valuation of \$675,000.

### LCEDA Investors

*We wish to recognize the generous support of our investors:*

The Communities of Beresford, Canton, Harrisburg, Lennox, Tea and Worthing

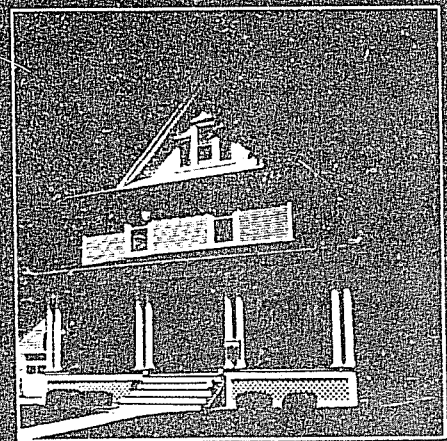
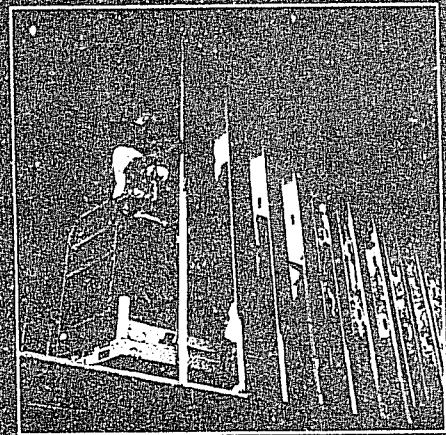
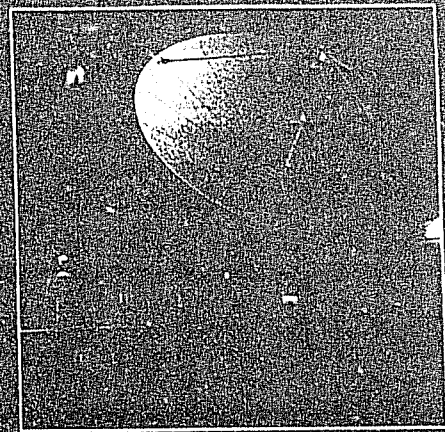
*in addition to:*

Beresford Economic Development Corporation  
Canton Economic Development Corporation  
East River Electric  
Farmer's State Bank, Canton  
First American Bank & Trust, Canton  
First Federal Bank, Beresford  
First Savings Bank, Beresford  
Harrisburg Area Development Corporation  
Home Federal Bank, Canton & Lennox  
Lennox Area Development Corporation  
Lincoln County  
McLeod / DTG  
MidAmerican Energy Company  
North Lincoln Rural Water  
Southeastern Electric Cooperative  
South Lincoln Rural Water  
Valley Exchange Bank, Lennox & Tea  
Xcel Energy / NSP



# growing opportunity

*in Lincoln County and  
Minnehaha County, South Dakota*



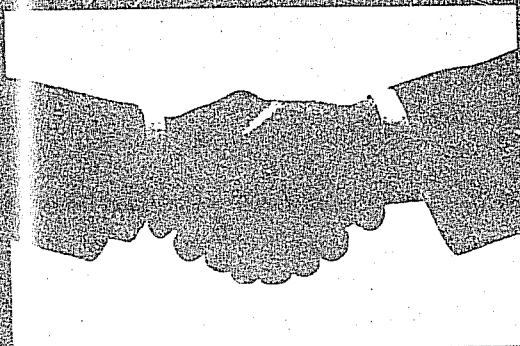


**discover**

*Lincoln and Minnehaha Counties*

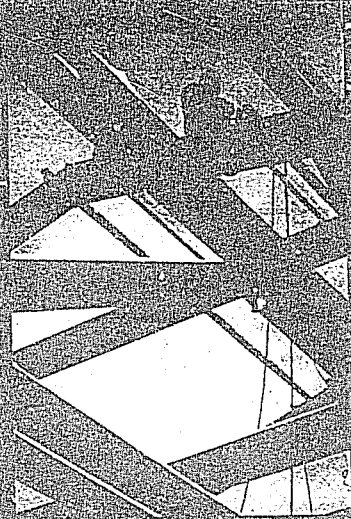
**global**

**living**



**partners**

**growing**



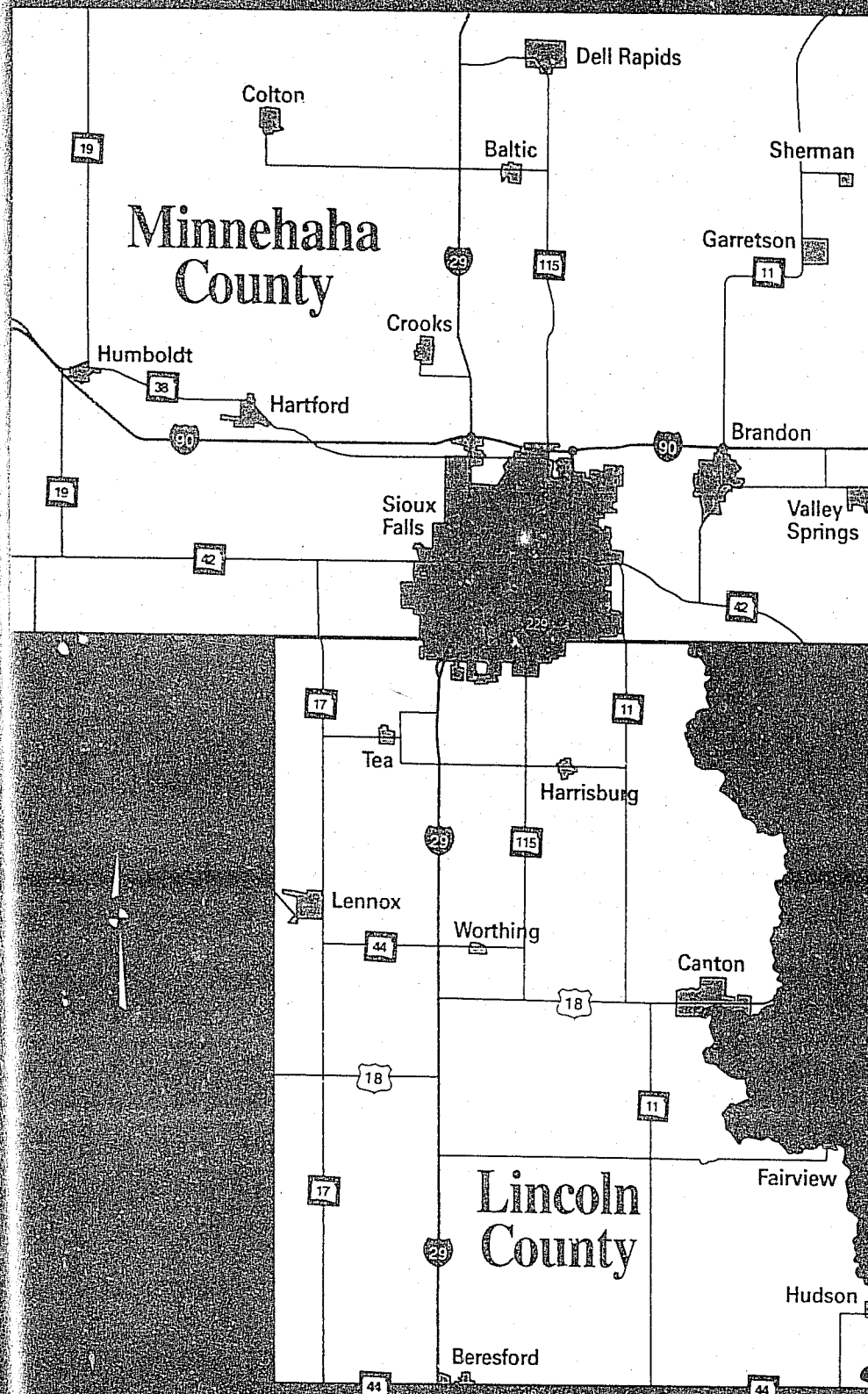




# Opportunity lives here

**O**ne of the fastest growing areas of the United States during the past decade is the two county area in southeastern South Dakota comprising Lincoln and Minnehaha counties. Located at the intersection of Interstates 29 and 90 in the center of the nation, this land of opportunity contains one of the nation's strongest economies in recent years, fueled by the growth of Sioux Falls.

The key to the success of the coordinated economic development effort of this area lies in the cooperation between the Lincoln and Minnehaha County Economic Development Associations and the Sioux Falls Development Foundation. This cooperative effort assures businesses looking at the advantages of this dynamic economic region the maximum assistance in locating or expanding here.





# global infrastructure, rural values

**"The EROS Data Center and Hughes STX are able to recruit world-class scientific and professional people to work in Minnehaha County because of the amenities the area offers. A wide variety of communities, types of housing, educational options and social opportunities are available to new residents. These assets are especially attractive to former South Dakotans and midwesterners who seek to return here to work."**

**Tom Earley**

Personnel & Training Officer  
Hughes STX Corporation, EROS Data Center

In today's networked business environment, a location in the rural counties surrounding the Sioux Falls metro area is right at the center of the globe. With a well-established, reliable fiber optic system, backed by SNET Ring redundancy, any company is instantly linked to customers, markets and affiliates around the world.

## Connected to the stars

The EROS Data Center, site of the NASA program *Mission to Planet Earth*, has been located here for over 25 years. Their satellite data is vital to the future of our nation, and the world, as they study climatological and earth resource changes. EROS is connected to international research centers and scientists around the globe—from their base in the Siouxland area.

## High tech success

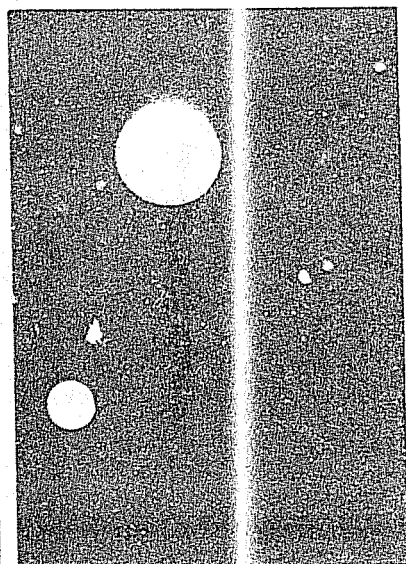
In addition to EROS, major banking and high tech firms have found our region a successful location for their business. **Citibank (South Dakota) N.A.** has operated one of the world's largest credit card facilities here since 1983, and **Gateway**, the nation's largest direct marketer of computers, utilizes a base in our area for their customer service and sales division.



## The sky's the limit

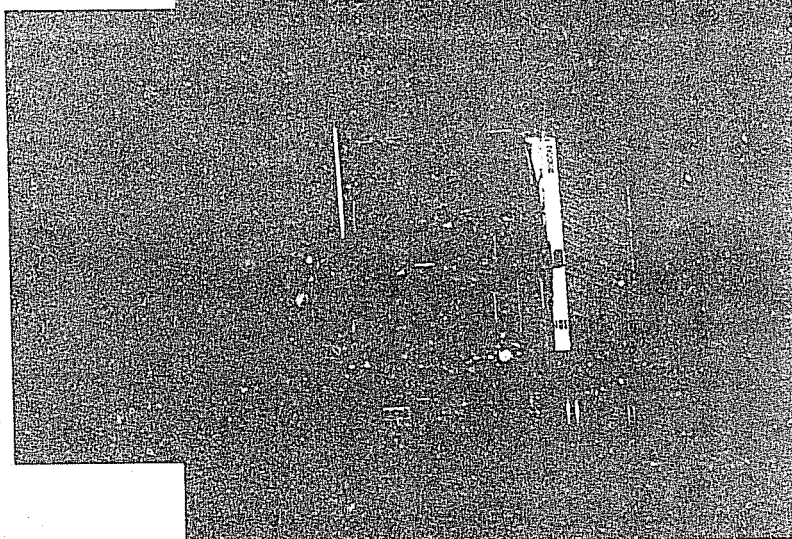
The Sioux Falls regional airport is home to five carriers, as well as recently upgraded facilities for FedEx and UPS, which consider Sioux Falls an important hub. Every community in Minnehaha and Lincoln County is within a 30 minute drive of this vital air link. In addition, the U.S. Customs Service maintains a Port of Entry at the Sioux Falls Regional Airport, so international shipments can come right into

our counties, clearing customs here. The Siouxland area is also home to the second largest airport for based aircraft in South Dakota. The Marv Skie airport is located near the intersection of I-29 and I-229 and is attended daily. The field boasts a 3,650 foot runway and earned a "Clean Airport" designation in 1997.



## Ground transportation that moves

With direct access to two interstate highways, our region is uniquely suited to maximizing the efficiency—and profitability—of ground-based transport. Nearly one hundred trucking companies are based in the two-county area, with over-the-road and less-than-load capabilities. Maintaining our infrastructure is a major priority, and raw materials, consumer goods and finished industrial products flow in and out on an hourly basis.



SHOWPLACE  
Wood Products

**Tony Bour**

President, Showplace  
Wood Products

**O**ne of our biggest requirements was for available land with the infrastructure to support a manufacturing entity. We found everything we needed in the Harrisburg Industrial Park. And the people were so easy to work with—we did just about everything on a handshake basis. We thought we could attract good people—and we were right. We've been able to hire all the people we've needed. We're finding that small town people from the communities around us like to work in a more rural area."

# growing profitable businesses

**T**here's a reason that Minnehaha and Lincoln Counties have some of the fastest-growing economies in the nation: *companies make better profits.* Our counties and state share a **pro-business philosophy** that you can take to the bank. Among the advantages for every business located here:

- NO corporate or personal income tax
- LOW workers compensation rates
- NO business inventory tax
- NO personal property tax
- LOW utility costs

## Business tax comparison

City	State Corporate Income Tax	Real Property Tax	Total
Denver, CO	\$ 47,500	\$34,474	\$ 81,974
Des Moines, IA	\$112,500	\$65,379	\$177,879
Fargo, ND	\$103,335	\$36,639	\$139,974
Milwaukee, WI	\$ 79,000	\$39,262	\$118,262
Minneapolis, MN	\$ 98,000	\$73,981	\$171,981
Omaha, NE	\$ 76,985	\$26,878	\$103,863
<i>Lincoln and Minnehaha Counties</i>	0	\$39,143	\$39,143

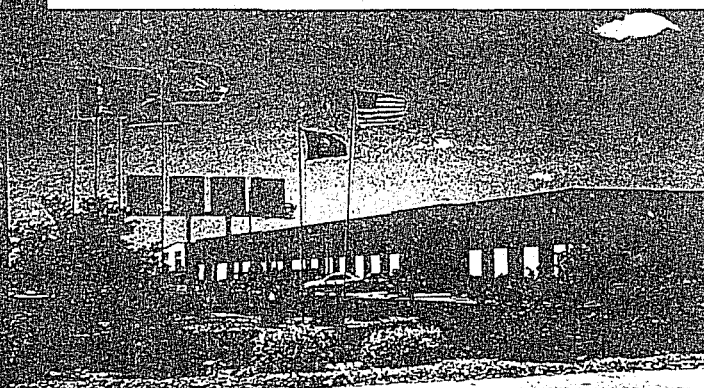
Income Tax is based on \$1 million in federal taxable income  
Real Property Tax is based on \$1.5 million assessed value.

## A welcoming climate for any business

A glance at our leading employers illustrates the wide range of businesses which find our business climate particularly hospitable. Sioux Valley Hospital and Avera McKennan Hospital, who combine to make our county an important regional medical center, together employ over 6,000 people. Citibank adds another 3,000+ employees with its credit card operation, while John Morrell & Co., one of the nation's leading meat packers, employs over 3,000 individuals as well. From cows to computers, businesses thrive in our two counties. And as these companies have discovered, a Siouxland location means you'll be up and running faster than anywhere else in the Midwest.

**Adeel Zaidi**  
Vice President &  
General Manager  
Behr Heat Transfer  
Systems, Inc.

**"I** have managed plants in Michigan, Texas and in Mexico and I would set our team here against any other team in the world. The people here in Lincoln County take ownership of their jobs—they care. My family and I also found the things we were looking for in Lincoln County. Here you will find neighbors who take care of each other. It's good to be so welcomed into a community."

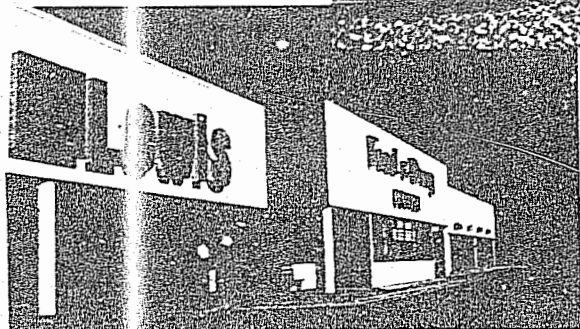
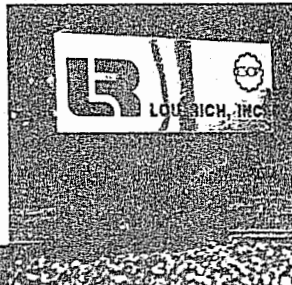


*International manufacturers of Heat Transfer Systems  
(Engine Cooling and HVAC) for John Deere Co.,  
Freightliner, Cummins Diesel and others*



## Other major Lincoln and Minnehaha County employers

Behr Heat Transfer Systems  
Showplace Wood Products  
Koyker Manufacturing  
Lou-Rich, Inc.  
Luverne Truck Equipment  
Slumberland  
D.T.S., Inc.



## A labor-management partnership

South Dakota employees are protected by the **Right to Work Law**. This statute provides that any industry which is unionized is done so under "open shop" conditions, meaning that no employee can be discriminated against because of membership or non-membership in the union, either by management or other employees. **Three percent of the total labor force in Minnehaha County and Lincoln County belong to unions.**

## A network of suppliers

The strength of the economy in the communities surrounding Sioux Falls metro area has brought hundreds of businesses to the area whose major function is to support and supply other companies. This can mean substantial cost savings to your business, because of the proximity of the materials and services you need. From steel suppliers to trucking firms to precision metal cutting, you'll find ready access to the companies that make your business more profitable.

**"O**ur move from Minnesota to Brandon, South Dakota was the smartest decision we ever made. We increased our profits thanks to the superior business climate here and, more importantly, found employees who really care about this company. Another advantage is our location in the middle of the country, simplifying our nationwide distribution. Great people in a centrally located pro-profit business environment—that's what we discovered when we relocated here."

**John Schulzetenberg**

President, Luverne Truck Equipment, Inc.

**Grage**

# partners *in prosperity*

**L**incoln and Minnehaha county communities offer an affordable solution to your business expansion or relocation. A variety of cost saving incentives, combined with significant savings in the cost of living and doing business, make it easy to choose our region as a place to grow a business or raise a family.

**"T**he people themselves are the biggest advantage to a business in Lincoln County. If a person is used to being in a rural atmosphere, they bring those values to the company they work for. People of all ages—from young men and women right out of high school to skilled, experienced workers—are interested in what we do and care about doing a good job. The work ethic in an rural community is the best there is."

**Keith Polzin**

Plant Manager, Kovker Manufacturing Co.  
Makers of fabricated steel agricultural equipment

## Property Tax Abatement programs

Many of the communities in our counties have enacted ordinances to allow new industrial structures or additions to existing industrial structures to be taxed at a lower rate. These abatement ordinances result in a savings of property tax normally paid during a fixed period following construction.

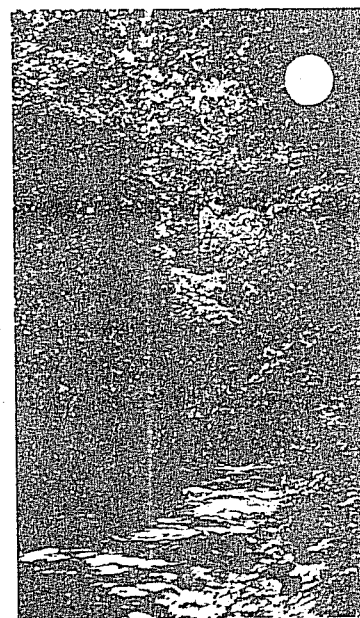
## Low Worker's Comp rates

South Dakota has traditionally been known as having one of the lowest Worker's Compensation rates in the country. The average worker's comp rate for manufacturers in South Dakota is **\$4.50 per \$100 of payroll**, compared to these rates in other states:

California	\$4.82
Minnesota	\$4.59
Texas	\$6.31
Illinois	\$4.75

## Business-friendly environmental regulations

Our counties—and the entire state of South Dakota—are noted for clean air, fresh water and unspoiled landscapes. The state's environmental legislation is designed to protect and preserve this quality environment **without imposing excessive restrictions** on business and industry. Most state and county environmental regulations maintain this balance by approximating the minimum federal environmental standards.





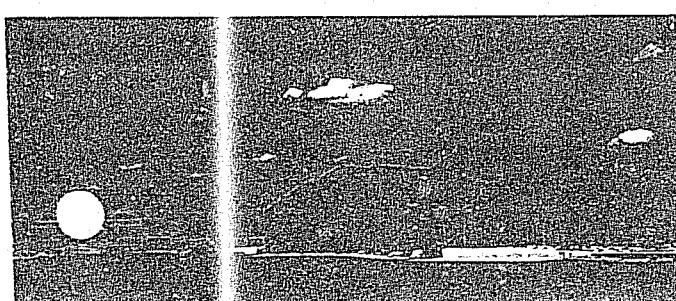


## Affordable land with established infrastructure

Developed industrial parks are available throughout the area, with infrastructure in place to save you **time and money** in building or expanding your company. These parks offer prime access to railroad, interstate highway and air service, and are surprisingly affordable, especially when compared to similar sites in metropolitan areas. Most importantly, we can work with you to find a site that is ideal for your business, whether you are seeking an industrial, commercial or office operations location. And residential property is a bargain in Minnehaha and Lincoln counties, too!

## Flexibility in utility rates

Utility costs in our counties are among the most favorable in the Midwest, and utility companies in the area communities are often the strongest proponents of industrial growth. As a result, utility rates in the county are an excellent value. We will be glad to provide gas, electric, water and sewer availability and cost information for each community.



## REDI Fund Loan program

Administered by the Governor's Office of Economic Development, the Revolving Economic Development and Initiative (REDI) Fund Loan program was developed to create **primary jobs** in South Dakota. These jobs "provide goods and services which shall be primarily exported from the state, gain market shares from imports of the state, meet an unmet need in an area, have a stimulative effect on other businesses or assist a community in diversification and stabilization of its economy." The REDI Fund may provide up to 45% of the total project cost and requires the applicant to secure the matching funds before applying to the Board of Economic Development. The interest rate is three percent and can be amortized up to 20 years with a five-year balloon.

In addition, other financing programs are available because of the rural nature and economic development efforts of the Minnehaha and Lincoln County communities.

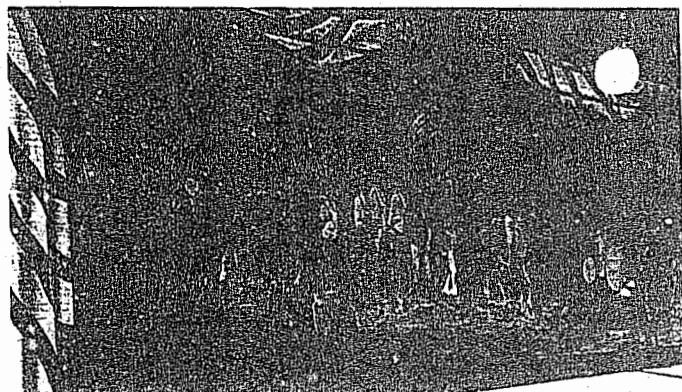
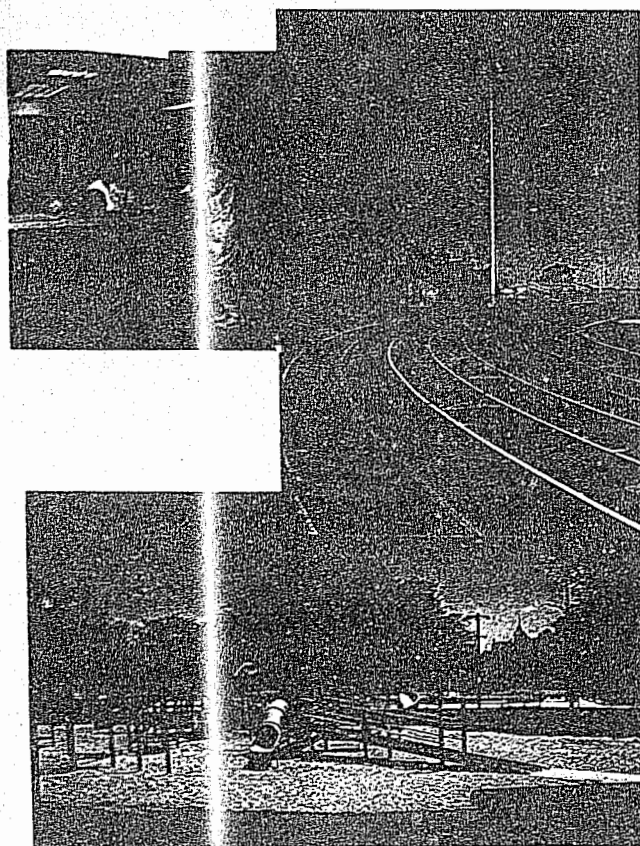
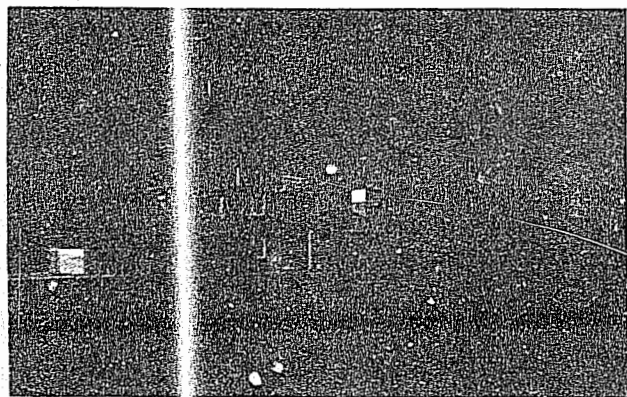
**"Here in Minnehaha County, we have a truly state-of-the-art communications infrastructure. With uninterrupted service, Synchronous Optical Network and speed-of-light communication capabilities, this area can provide a global communications system for any business."**

**Don Snyders**

General Manager,  
Splitrock Telecom Cooperative, Inc.

# *where the* **living** *is easy*

Quality of life is more than just an economic development phrase in Minnehaha and Lincoln County—it's the way we live. There's time for family, for recreation and for friends. With no long commutes, no traffic jams and the prairie landscape just moments away, this is a good place to be—and one of the best places in the country to raise a family.

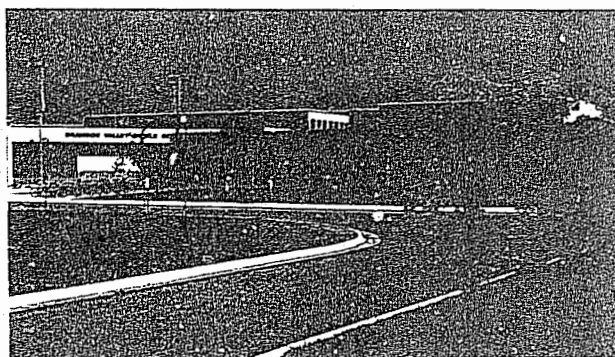


## **A safer place to live**

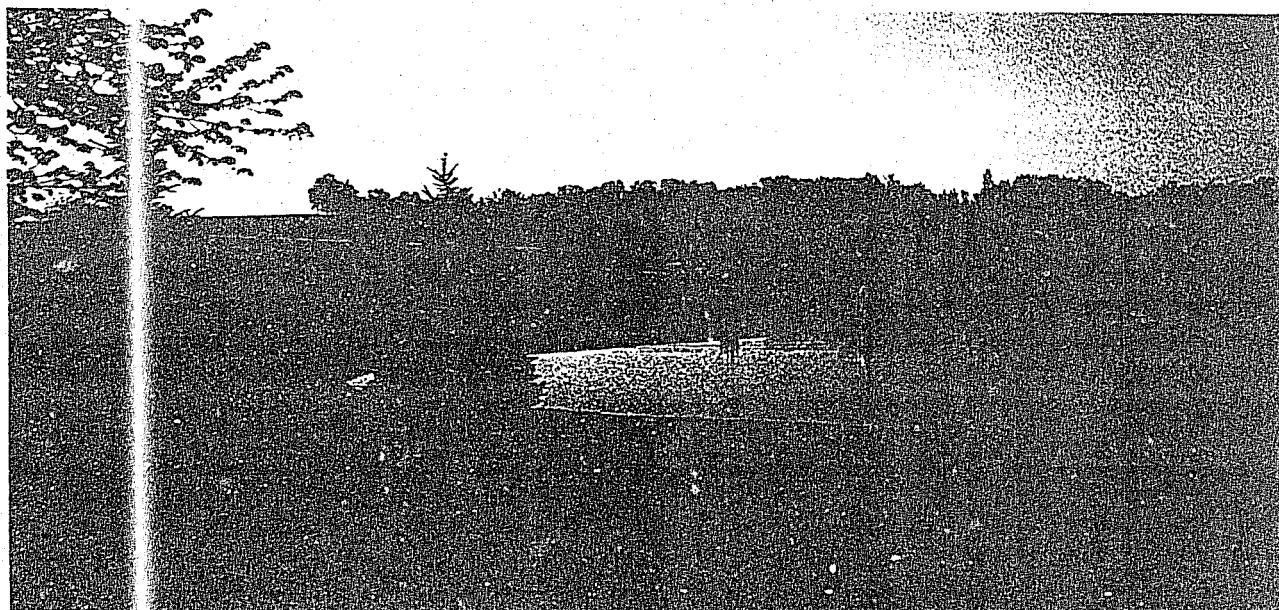
Our crime rate is among the lowest in the nation. We have strong and visible police protection, in local law enforcement and the county sheriff's office, but our expenditures for protection are among the five lowest in the nation. South Dakota also ranks in the top five for lowest crime rate. Recent FBI statistics show that .16% of the nation's crime occurs in South Dakota. And people in the quiet communities of our counties share a neighborly regard for each other—a kind of community Crime Watch program.

## **Education is a high priority**

Some of the finest schools in the state of South Dakota are in our rural communities. We believe that our children are our future—and we invest in that future with good schools. As a result, our children consistently test higher on SAT and ACT college placement tests than the national average. Our public schools are the heart of the community, with plenty of opportunity for participation by students at all levels of athletic and scholastic ability.

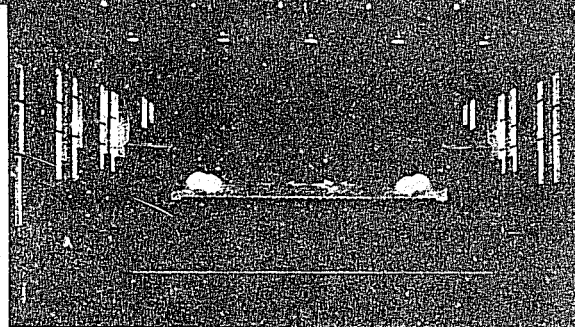






## We know how to have fun

Challenging golf courses, beautiful riverside parks and great sporting events to watch are just a few of the recreational opportunities here. This is a place where you can fly a kite with your kids, watch a beautiful sunset from your back porch, take a bike ride over rolling hills or go out for some of the best steak in the world. We know how to have a good time.



*Brandon's new Performing Arts Center offers a wide variety of cultural activities.*

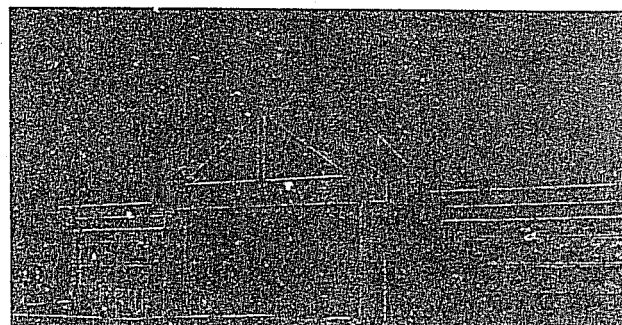
## City amenities with rural values

A home in any of the Minnehaha or Lincoln County communities is just minutes away from the restaurants, concerts, galleries, professional sports and movies of Sioux Falls. National performers supply the Siouxland area with concerts from classical to country—and theater opportunities from Shakespeare to showtunes.

And you'll be just as close to opportunities for hunting, fishing or hiking. We offer your family all the advantages of a metropolitan area with the best elements of small town life. You'll discover a place where a helping hand is still a daily occurrence, where friendships last a lifetime and people care about their neighbors—and know them by name.

*This is the home you've been looking for—  
for your family and your business.*

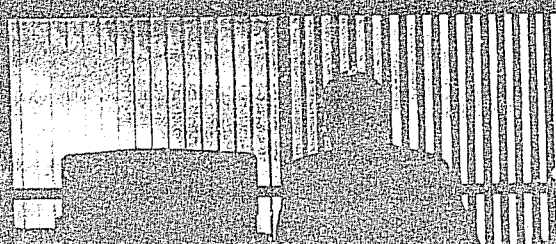
*We'd like to help you discover for yourself  
how good life is right here.*



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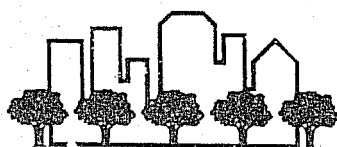
A high-contrast, black and white image of a textured surface, possibly a book cover or endpaper. The surface is covered in a dense, grid-like pattern of small, dark, rectangular marks. Several white, curved, torn-edge shapes are visible, suggesting the edges of pages or a torn cover. The overall appearance is grainy and abstract.

info: [sourcefire.com](http://sourcefire.com)



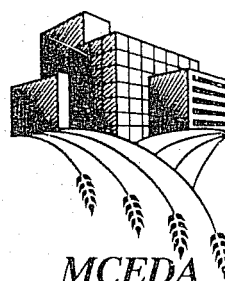
**A Comparative Cost Analysis for Technical Support Operations**  
Nov. 1999. The Boyd Company, Princeton, NJ.  
Call 1-800-658-3373 for complete report.





**LCEDA**

*Lincoln County Economic  
Development Association*



**MCEDA**

*Minnehaha County Economic  
Development Association*

*in partnership with the*

***Sioux Falls Development Foundation***

*PO Box 907, Sioux Falls, SD 57101-0907*

*Phone: (605) 339-0103 \* Fax: (605) 339-0055*

*Toll Free: (800) 658-3373*

# Newell-Fonda repeats

Page B1



Saturday  
March 18  
2000

SIoux CITY  
ILLINOIS  
Celebrating Siouxland Pride

Vol. 136 No. 96

## Flynn Park opens first building

By Michele Link  
Journal staff writer

NORTH SIOUX CITY — St. Patrick's Day in Flynn Business Park was an occasion for both the wearin' o' the green and the cuttin' o' the green ribbon in the first building to be constructed in the new development.

The \$650,000 building, a 40,000-square-foot steel shell, is a speculative venture between the Siouxland Initiative, North Sioux City and the North Sioux City Economic Development Corp.

It marks the first spec building for the city and NSCEDC, and the fourth for the Siouxland Initiative, which partnered to build three others in the Bridgeport Industrial

## Building offers quick start-up for business

from page one

Park in Sioux City. Ground for the new building was broken Aug. 23.

"The goal was to have the ribbon cutting on St. Patrick's Day and it got done," Liesel Hallwas, North Sioux City mayor, said during the formalities Friday. "I know it won't be very long before we see a grand opening of a new business in this park."

The building offers a quick start-up for a manufacturing or warehousing business and can be quickly customized, said Bruce Lewis of L&L Builders, the contractor on the project. A loading dock can be installed on any of the four walls by excavating to the right height. One wall is designed to be pushed back for later expansion as the buyer's business grows.

Sue Harlan, NSCEDC executive director, said negotiations with a potential buyer were in progress. When the building is sold, the money will be rolled over into the construction of a second spec building in the park.

The building lies on a six-acre site which is part of the first 20 acres to be developed in the business park. Built on property at 3130 N. Highway 105, known as the Flynn Farm, the park is intended to provide space for economic

development in North Sioux City, just as its predecessor, Gateway Business Park, did 10 years ago. Eventually Flynn Business Park will cover 162 acres.

Glen Iversen, a NSCEDC board member, also was involved in the development of neighboring Gateway Business Park 10 years ago. He cited the Omaha Line Hydraulics plant there as an example of the success of spec buildings to attract business. The company needed occupancy of a new facility in 30 days. It bought a spec building, finished it and made the move on time, he said. Nearby Iams pet food still occupies the original spec building in Gateway Business Park, he said.

Doug Palmer said the Siouxland Initiative started building spec buildings seven years ago because the organization learned that manufacturers need to move fast. Eighty percent of companies wanting to locate or expand in Siouxland want to buy an existing building, he noted.

Bridget Flynn, former owner of the property, lent an authentic touch to the St. Patrick's Day ceremonies. She greeted the audience in Gaelic, then translated, "May God bless you all for coming. I appreciate you. We think the land is developed and we hope everybody who comes here has a little Irish in them."

SEE BUILDING  
continued on page A3

# Flynn Business Park plants first seeds for industry

By Michelo Linck  
Journal staff writer

**NORTH SIOUX CITY** — The fledgling Flynn Business Park has just produced the first building in what is hoped will be a

Fittingly, the ribbon cutting for the Flynn Business Park building took place on St. Patrick's Day. It included much green attire among participants as well as a Gaelic greeting by Bridget Flynn, former owner of the farmstead.

The \$650,000 building, a 40,000-square-foot steel shell, is a speculative venture of the Siouxland Initiative, North Sioux City and the North Sioux City Economic Development Corp. It marks the first spec building for the city and NSCEDC, and the fourth for the Siouxland Initiative. The Initiative has partnered to build three others in the Independence Industrial Park in Sioux City.

"The goal was to have the ribbon cutting on St. Patrick's Day and it got done," North Sioux City Mayor Liesel Hallways boasted. "I know it won't be very long before we see a grand opening of a new business in this park." Grading for the building began Aug. 23.

The building offers a quick start-up for a manufacturing or warehousing business and

**"We think the land will develop and we hope everybody who comes here has some Irish in them."**

can be quickly customized, said Bruce Lewis of LRL Builders, the contractor on the project. A loading dock can be installed on any of the four walls by excavating to the right height. One wall is designed to be pushed back for later expansion as the buyer's business grows.

The dirt floor makes customizing for pits,

ramps, or other special needs quicker and more practical than tearing up existing concrete flooring.

"It will be good for any number of potential buyers, at as low a price as possible."

Once sold, the money will be rolled in a second speculative building at the Flynn site, said Sue Hartlin, executive director of the NSCEDC. Hartlin said the NSCEDC is in negotiations with at least one possible buyer, but that the price would go up to cover marketing costs if it isn't purchased soon.

The building lies on a 6-acre site which is part of the first 20 acres to be developed in

the business park. It is built on property at 3130 H Highway 105, known as the Flynn Farm. The park is intended to provide space for economic development in North Sioux City, just as it has in other areas.

Glen Ivansen, a NSCEDC board member, was also involved in the development of the Gateway Business Park in 1990. The Gateway computer company was just getting started and Dakota Dimes was just beginning to build infrastructure, he recalled.

**SEE FLYNN BUSINESS PARK**

continued on page 15

The Sioux City Journal, Sunday, March 26, 2000, E 5

## Flynn Business Park receives Irish blessing

from page 12

"It has just been an amazing time," Ivansen said of the growth since then. "This is another step."

Ivansen called a spec building "a very effective marketing tool." He cited the Omaha Line Hydraulics plant in the Gateway park as an example of the power of spec buildings to attract industry. The company needed to occupy a new facility in 10 days. It bought an existing spec building, finished it and made the investment.

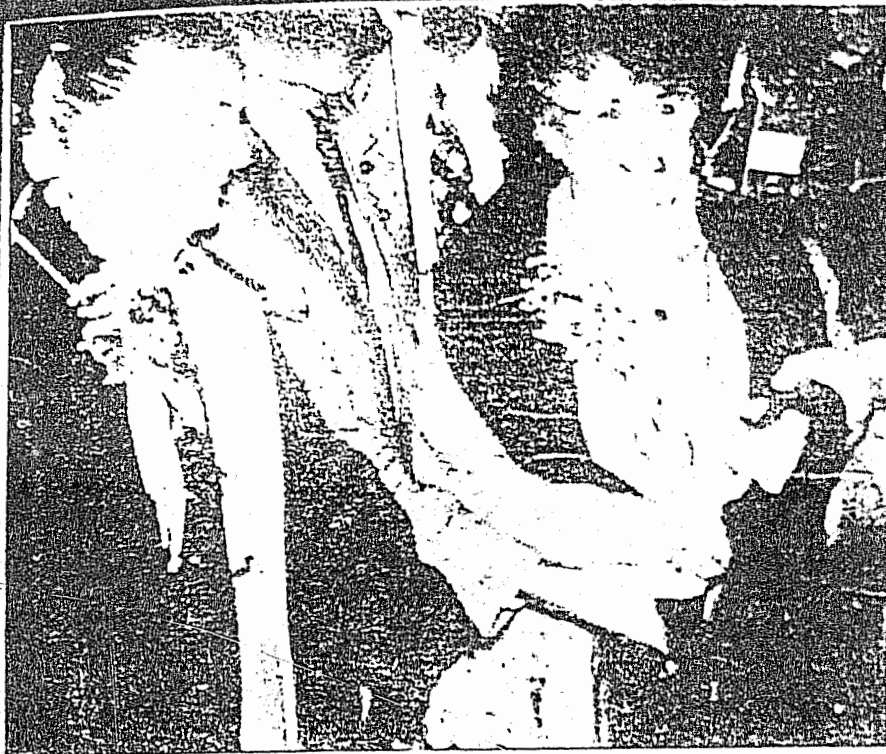
Lans Pet Food now occupies the original spec building in the Gateway park. "Lans would probably not be here today if the building hadn't been there," Ivansen said. Lans bought the original occupant, Heartland Quality Foods, and has since expanded the facility.

Speaking for the Siouxland Initiative, Doug Palmer said his group launched into spec building partnerships seven years ago because they learned that manufacturers need to move fast.

Flynn addressed the gathering with an Irish blessing. "May God bless you for coming. I appreciate you," she translated. She continued in English, "We think the land will develop and we hope everybody who comes here has some Irish in them. It is blessed by imagination, the land would be developed into a beautiful business park."

While the NSCEDC has bought just 20 acres for the park so far, it has first right to the rest of the 152-acre tract and will develop the property gradually.

Eventually, Flynn Business Park will cover all 162 acres, making it slightly larger than its predecessor Gateway Business Park.



Mayor Liesel Hallwas, right foreground, was present for the ribbon cutting of the first spec building in Flynn Business Park, March 17. The speculative venture was a cooperative effort by the North Sioux City Economic Development Corporation and the Siouxland Initiative. Bridget Flynn, left foreground, greeted the crowd in Gaelic in honor of St. Patrick's Day.

## Flynn Park Building Marks Joint Speculative Venture

By Jenifer E.H. Jost

St. Patrick's Day marked the ribbon cutting of the first speculative building for the North Sioux City Economic Development Corporation. The 40,000-square-foot structure in Flynn Business Park was a venture with the Siouxland Initiative.

"North Sioux City is a hotspot of economic development," said Doug Palmer of the Siouxland Initiative. "I'm sure that will continue."

Palmer pointed out that as much as 50 percent of companies looking to expand or to relocate to Siouxland want to buy an existing building.

Also present at the ribbon cutting was Mayor Liesel Hallwas, who expressed confidence that the vacancy will fill out.

"It won't be very long until we see a new business open in the Flynn Business Park."

The building was constructed with a warehouse or manufacturing business in mind. With specific accommodations readily available, a new business can move in quickly.

"It's a building that will be good for any number of buyers," said Bruce Lewis of L&L Builders, which con-

tracted the project. Lewis said the structure was designed to accommodate a loading dock in any of its four walls, and one wall is expandable.

When the building is sold, the money will be rolled over into the construction of a second spec building in the park. Flynn Business Park will eventually cover 162 acres.





North Sioux City Mayor Glenn Ivarson, members of the North Sioux City Economic Development Corporation, The Siouxland Initiative III, Siouxland Chamber of Commerce and Bridget Flynn, for whom the development is named, gathered for the new Flynn spec building ribbon-cutting ceremony on March 17 in North Sioux City.

## Work on new Flynn spec building

Mayor Glenn Ivarson said the ribbon cutting was another big step in the development of a second business park in the city. The first step was the announcement of the creation of the park in January of 1999, followed by groundbreaking for the spec building in August. He'll was said the goal was to have the ribbon cutting on St. Patrick's Day and that goal was met. The final step, announcing of a tenant for the facility, should occur sometime in the not-to-distant future.

Glenn Ivarson of the North Sioux City Economic Development Corporation said the new building is a big milestone in a time of amazing growth in southern Union County. He recalled when MidAmerican Energy constructed two spec buildings in the Gateway Business Park in the

1980s. The first building was purchased by the Heartland (now Iams) Company and the second was purchased by Omahaline Hydraulics.

Bridget Flynn greeted those in attendance with an Irish blessing in Gaelic, noting that on St. Patrick's Day everyone has a little bit of Irish in them. Flynn said the development of her land into a business park was beyond her wildest imagination even just a few years ago. She closed by thanking everyone involved in transforming her land into a beautiful business park.

Doug Palmer of The Siouxland Initiative Executive Committee and Bruce Lewis of L & L Builders, the spec building contractors also spoke at the ceremonies.

(continued on page 8A)

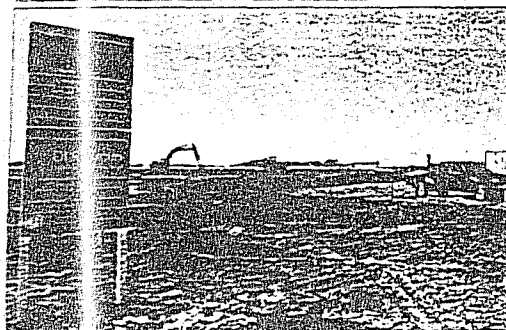
## Flynn Spec Building

(Continued from front page)

The 200 x 200 foot building can be easily adapted for many types of business uses. Loading docks can be placed on any side of the structure and the facility has a minimum inside height of 22 feet. There is ample room for parking and building expansion on the 6-plus acre site.

The building was made possible through a partnership between the North Sioux City Economic Development Council, the City of North Sioux City, MidAmerican Energy and The Siouxland Initiative III. The Siouxland Initiative has also partnered with the City of Sioux City on three spec buildings.

According to development studies, over 80 percent of firms looking to expand or relocate to the Siouxland area want an available building. Spec buildings have proven to be a good marketing tool for the expansion of local businesses and for the attraction of businesses from other areas.



Construction on a new Dakota Valley Elementary School in North Sioux City has begun. The school is expected to open during the 2001-2002 school year. (Photo by Terry Turner)

## Dakota Valley erects school

By Terry Turner  
Journal Staff Writer

**NORTH SIOUX CITY** — Construction has begun on a new elementary school here for the Dakota Valley School District. The new 29,000-square-foot elementary school is being built near the current high school and middle school.

Tamara Hummel, elementary school principal and curriculum director for the district, said the new building is desperately needed. "We're very overcrowded," said Hummel. "We've outgrown our classrooms. We have teachers teaching out of places that should be storage areas."

Although Hummel has been in the school district for nine years, this is her first year at Dakota Valley Elementary. She thought she wasn't at the school when planning for the new school began, but she thinks the age of the current facility may have also been a factor in deciding to have a new building.

"This is an older facility in need of some repair and updating. The new building was probably a good option," Hummel said.

The school now has about 250 students with one preschool section, four kindergarten classes and three classes each in the first, second and third grades. The new school building may have additional classes and in we get the new facility we will use more elementary classrooms. Possibly the fourth and fifth grades have not been decided yet. We will add it to the fourth grade to our elementary school population."

The steady growth of the area around North Sioux City has been reflected in the elementary school. "Five years ago there were only two sections of each grade and now we're at three and four sections for each grade level," Hummel said.

The Dakota Valley School District, which includes Dakota County, North Dakota and parts of Iowa, is planning to raise a \$7.4 million bond issue to build a new elementary school. The bond issue is expected to be approved by voters in the 2001 election.

school. "I think that says a lot for our community that we were able to pass two bond issues in a short period of time, where a lot of districts are struggling to pass just one," said Hummel.

The new 29,000-square-foot elementary building will offer several things now lacking in the old facility, including larger kindergarten classrooms and built-in shelving and storage units.

"In the media center, we'll have a lot of room we didn't have before for putting the audio/visual equipment away. Right now it's sitting out," Hummel said.

In the current building, a lot of activities share rooms but the new 10-classroom facility will have separate rooms for such things as art and music. The computer lab and its 24 computers are now in the school library but will have a separate room in the new school. Hummel said there will be a computer on each teacher's desk. "Each classroom also has two other computers besides the one on the teacher's desk that the kids can use," she said.

The new school will feature a much larger gym. "Right now our gym is not a normal size gym. In the new school we'll have enough seating to do some activities in there. Right now we don't have that," Hummel said. The new gym will also have a stage for school activities.

The city of North Sioux City and the elementary school are also in the process of building a \$500,000 baseball/softball/recreation complex next to the new elementary building on the 72-acre Dakota Valley campus.

It has not yet been decided what will become of the current elementary building once it's vacated. "We've had people ask what we're going to do with it," said Hummel. "I think they're interested in the area, not the building."

The DLR Group, an Omaha-based architectural firm, designed the elementary building and it is being constructed by L&L Builders of Sioux City.

Hummel said the hopes to be in the new building during the 2001-2002 school year.

# First step in city's beautification complete



**Warm reception.** When Governor William Janklow, left, arrived at the dedication ceremony lay, he and North Sioux City dignitaries exchanged warm greetings. Among those to greet the nor was Budget Flynn, center, and Jody Frye, Chief of Police.

*By Linda F.H. Hart*

Community leaders celebrated the dedication of Merrill Boulev and in North Sioux City Tue day. The event, attended by South Dakota Governor Bill Janklow, marks the first completed street project of the city's beautification effort.

"This is an exciting day in the story of a community that has out-paced the growth of really any other place in the United States," said Jim Wharton, of Gateway.

Mayor Laurel Hallway's speech to the crowd were of the same sentiment.

"We want to show off something very special, very positive," Hallway said. "We are very proud of it. We are excited about our beautification."

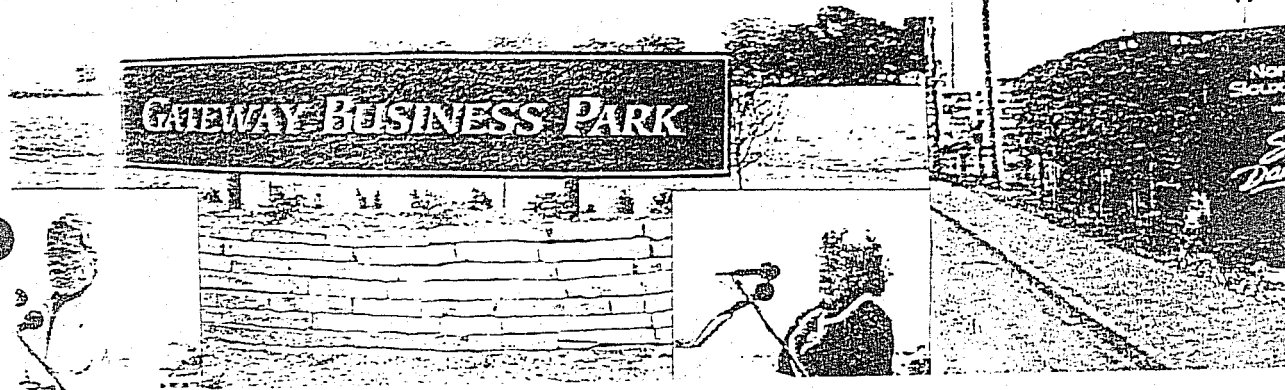
Governor Janklow gave the beautification process credit entirely to the residents and businesses of North Sioux City.

"A community defines itself," Janklow said. "No public official does; no governor does. The community that takes an interest in itself can't help but promote itself. It is the physical attributes that really defines how a community looks at itself."

Janklow went on to say that the community has improved greatly in the last 20 years.

"This is a partnership of local people, local businesses using their own money," Janklow said.

The governor concluded by repeating a Chinese proverb: "The best time to plant a tree is twenty years ago, but the second best time to plant a tree is now."





# Proctor & Gamble will expand lams markets

By Julie Weeder  
Journal Staff Writer

THE HEARTLAND CITY — Proctor and Gamble Company's acquisition of the Lams Company may bring more production to North Sioux City, La. Heartland Plant.

The acquisition will allow Lams and P&G to use new channels of marketing. Proctor and Gamble products are sold, said Lams spokesman Bryan Brown, Proctor's maker of famous brand products such as Tide detergent, Tampax tampons, Crest toothpaste and Cover

Girl cosmetics.

"We will certainly have changes in the North Sioux City plant," Brown said by phone from the Lams corporate office in Dayton, Ohio. The Heartland plant is the only plant that makes the Lams and Eukanuba brand canned pet foods. Five other plants manufacture the dry products.

"This is very much a growth story and as we continue our commitment to quality," Brown said. "The North Sioux City plant has over the years, demonstrated a commitment to quality as well as safety and sanitation that is truly admirable. We look forward to a bright future with the

**"This is very much a growth story and as we continue our commitment to quality."**

growth of the Lams Heartland plant," Lams and Eukanuba were previously only sold in pet specialty stores, veterinary offices and chain, feed and grain stores and pet hospitals and grooming locations.

Proctor and Gamble's purchase of Lams for about \$2.3 billion was announced Aug. 11. The acquisition was finalized Sept. 1, following both U.S. and foreign premerger clearance.

Brown said the deal came together in such a short time because there were no major roadblocks.

"Both organizations worked together to bring it to a closing date in pretty short order," he said. "They left it was a good fit. The entire agreement took 60 days from the first time Proctor and Gamble met with Lams to announcing the acquisition."

Lams ranks as the seventh largest pet food concern worldwide with annual revenues of about \$800 million. The company employs about 2,100 people globally, including about 150 in North Sioux City.

Pete Krull, Heartland plant manager, said the plant has the room to expand or increase production if needed and could hire additional employees.

"We're still in the infancy stages of the new ownership," he said, "but we have the room to expand if needed and add more product. I think Proctor and Gamble will provide us with many opportunities in the future to meet the challenges of additional markets."

Paul Lams, who founded the Lams Company in 1946, wanted an unusual, memorable name for his product. He called it Eukanuba (you can NOO bath), an expression use in the 1940s to mean "the best."

Karlson, a 6-year-old golden retriever, is Lams' vice-president of canine communications. Her duties at headquarters include sampling products and giving firm paw shakes to employees and guests. Lams and Clawdia, both American shorthair cats, and retired Lams last-of-their-kind, also maintain offices in the company's Dayton, Ohio offices.

The average U.S. pet owner spends more than \$1.50 per year on pet nutrition products. By comparison, the average home spends about \$35 per year for laundry products.

Brown said Lams will continue new product development and innovation, which has always been a strength to Proctor and Gamble in consumer goods.

"We are looking forward to aggressive growth plans in our business with Lams and Proctor and Gamble joining forces," he said. "This acquisition means growth in the global scale because now Lams and Proctor

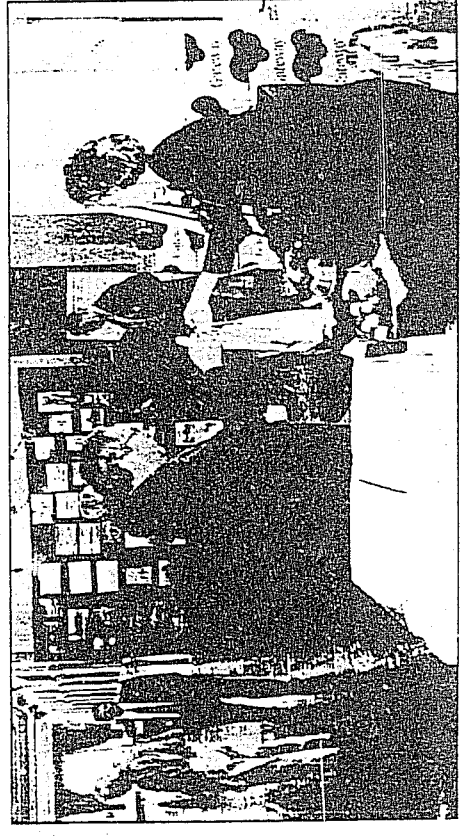
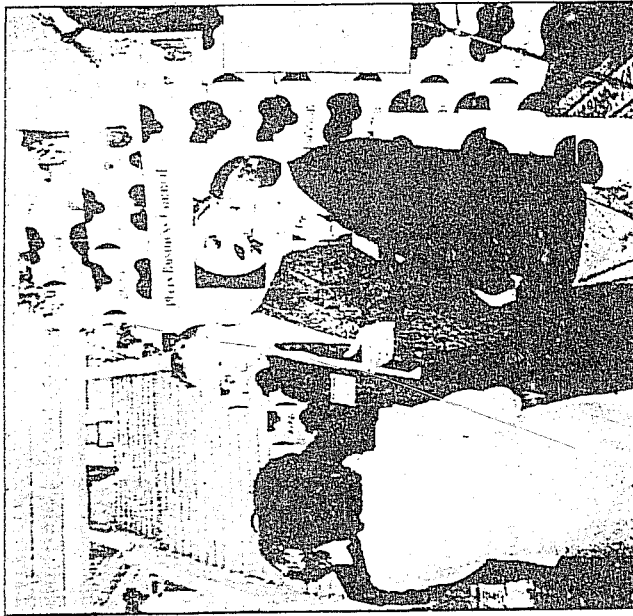


Pete Krull, plant manager of Lams Company in North Sioux City, peers through an opening in a large pet food can at the pet food factory. (Staff photo by Angela Taylor)



Mary Lou Jackson performs quality control tests on cans of pet food at the Lams Company at the North Sioux City factory. (Staff photo by Angela Taylor)

and Gamble can join together meet more of Lams' growing demand nationally. That's good news for the Heartland plant, which has been a major source of supply for the region.



## A lobbying trip to Pierre

Members of the 49<sup>ers</sup> Business Council and North Sioux City business and governmental leaders traveled to Pierre, S.D. on Feb. 16 for the second annual 49<sup>ers</sup> Business Council Legislative Day. The local group met with Gov. Bill Janklow, Ron Wheeler, commissioner of the Governor's Office of Economic Development, Attorney General Mark Barnett, and various state legislators. Counterclockwise from above: Jim France, left,

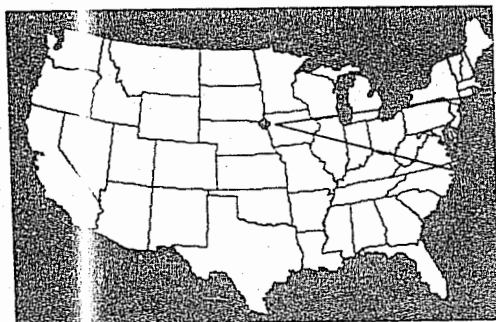
and Dean Duzik, both of Interlake Foods, visit with an unidentified legislator in the Capital rotunda. Union County Commissioner J.R. Castner, middle, demonstrates his putting skills to an unidentified legislator, left, and Sue Harlan of North Sioux City Economic Development. A local delegate treats a state legislator to ice cream cones and bag filled with gifts from covered area farmers. (Photos by Mike Crumey)

# 40,000 SQ. FT. BUILDING

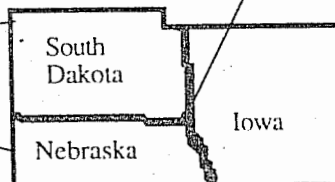
## *North Sioux City, South Dakota*

*Located on a highly visible, prime 6-acre corner parcel, the building is ready for custom finishing and is designed for quick and easy expansion. This site offers easy access to Interstate 29.*

- No state corporate income tax
- No state personal income tax
- No inventory tax
- Low operating costs
- Interstate, air, and barge
- Right-to-work state
- State, regional, and local incentives
- 200' X 200' building can easily be expanded
- Six-acre site with additional land available



### *North Sioux City, SD*





# Building Specifications

**Building Size:** 40,000 sq. ft.

**Basic Dimensions:** 200 ft. X 200 ft.

**Building Height:**

at Sidewall - 24 ft.

inside Clearance - 22 ft.

at Peak - 27 ft.

**Type of Building:** Inland pre-engineered, shop fabricated structural steel frame building in a shell state.

**Floor:** sand base for easy finishing

**Walls:** Metal panel with 6" vinyl-backed fiberglass

**Columns:** Bay Spacing 50' x 25'

**Ceilings:** Exposed

**Roof:** Metal standing seam roof insulated with 10" vinyl-backed fiberglass

**Office Facilities:** New owner can build to suit

**Lighting:** Minimal

**Heat:** Natural gas or electric available.

**Sprinkler System:** New owner can add to suit

**Truck Loading:** Construction allows for dock height truck doors to be installed on any side of the building.

**Parking Area:** Ample room for on-site parking.

## Utilities & Transportation

**Power:** MidAmerican Energy can provide any three-phase power needs.

**Gas:** MidAmerican Energy can supply any industrial need for gas.

**Water:** Industrial capacity. Supplied by the City of North Sioux City.

**Sewer:** Industrial capacity. Supplied by the City of North Sioux City.

**Interstate:** Interstate 29 is approximately 1 mile away.

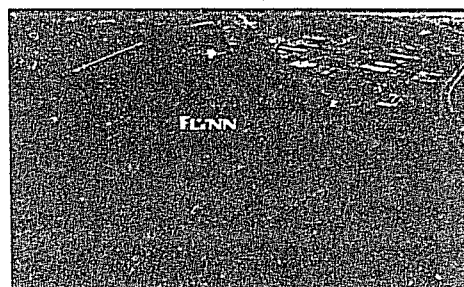
**Airport:** Sioux Gateway Airport is 12 miles from the building.

**Zoning:** Heavy Industrial.

## Flynn Business Park

Located in the nation's heartland, North Sioux City lies on the border of South Dakota, Iowa, and Nebraska formed by the joining of the Missouri and Big Sioux Rivers.

The Flynn Business Park is a new, 162-acre industrial park located on the northeast section of North Sioux City. There are several excellent building sites available in the Park.



### For additional information, contact -

Ed Andews

The Siouxland Initiative

101 Pierce Street, Sioux City IA 51101

1-800-228-7903

or visit our web site at:

[www.siuoxlandchamber.com](http://www.siuoxlandchamber.com)



## SCOREBOARD

### RESIDENTIAL

HOME SITES SOLD.....	569
HOME RESALES.....	221
HOMES UNDER CONSTRUCTION.....	38
HOMES BUILT.....	444
RESIDENTS.....	1,864

### COMMERCIAL

ACRES SOLD.....	145
ACRES OPTIONED.....	2
APARTMENTS.....	306
WELLINGTON AT THE DUNES.....	192 UNITS
STERLING GREEN ESTATES.....	114 UNITS
BUILDINGS.....	31
COMPANIES.....	76
JOBS.....	1,480

SEPTEMBER 30, 2000



## THE NEXT TEN YEARS



### THE PRAIRIE – A FAMILY FRIENDLY NEIGHBORHOOD

COMMUNITY PARK WITH RECREATIONAL AMENITY  
SYSTEM AND LINKAGES TO ESTABLISHED WALKING &  
BIKING TRAILS



### TWINHOMES

ENHANCE RETAIL BASE

NEW VISITOR CENTER / TOWN HALL

INTERPRETIVE NATURE LEARNING CENTER AT THE POINT

DAYCARE

HEALTH & FITNESS CLUB FACILITY



CID HOLDS INITIAL PUBLIC ELECTION





## THE ULTIMATE SCOREBOARD

### RESIDENTIAL

HOME SITES SOLD.....	1,492
COUNTRY CLUB ESTATES.....	727
THE MEADOWS.....	373
THE PRAIRIE.....	226
TOWNHOMES.....	116
CONDOMINIUMS.....	50
RESIDENTS.....	4,300
SCHOOL AGE CHILDREN.....	950
ACRES IN RESIDENTIAL DEVELOPMENT.....	744
RESIDENTIAL SITES.....	552
DAKOTA DUNES COUNTRY CLUB.....	192

### COMMERCIAL

JOBS .....	5,000
APARTMENTS.....	306
ACRES IN COMMERCIAL DEVELOPMENT.....	560
COMMERCIAL SITES.....	442
TWO RIVERS GOLF CLUB.....	118

ACRES IN OPEN SPACE / R.O.W.....658

COUNTRY CLUB MEMBERSHIPS.....	835
DUNES EQUITY.....	425
SIOUX.....	200
MISSOURI.....	200
DAKOTA.....	10

DECEMBER 31, 2013  
(7/1/00 FORECAST)



## INCOME ANALYSIS

### INCOME

THE BEST WAY TO DETERMINE THE INCOME OF RESIDENTS AT DAKOTA DUNES IS BY THE VALUE OF THE HOMES AND THE OCCUPATIONS OF RESIDENTS. THE AVERAGE HOME VALUE IN DAKOTA DUNES IS APPROXIMATELY \$277,000, BASED ON 1999 SALES. FOLLOWING IS A LIST OF HOMES BUILT AND THE CORRESPONDING VALUES:

<u>HOME TYPE</u>	<u># OF UNITS BUILT</u>	<u>VALUE OF HOUSING</u>
COUNTRY CLUB ESTATES	241	\$200,000 - \$4 MILLION +
TOWNHOMES	36	\$137,500 - \$450,000
THE MEADOWS	114	\$160,000 - \$240,000
THE PRAIRIE	21	\$130,000 - \$175,000
APARTMENTS	306	\$610 - \$1,145 / MONTH

### OCCUPATIONS

COUNTRY CLUB ESTATES - MANY TOP EXECUTIVES OF SIOUXLAND'S LARGEST COMPANIES. MANY WITH FAMILIES. VERY FEW RETIRED.

TOWNHOMES - MANY SINGLE PROFESSIONALS. VERY FEW CHILDREN.

THE MEADOWS - MANY MIDDLE TO UPPER MANAGEMENT OF SIOUXLAND FIRMS. MANY WITH YOUNGER CHILDREN.

THE PRAIRIE — MODERATELY-PRICED HOMES FOR FIRST-TIME & MOVE-UP BUYERS.

APARTMENTS - MANY YOUNG ADULTS. MANY EMPLOYED BY GATEWAY. SOME WITH CHILDREN, BUT PERCENTAGE RENTED TO RETIREES INCREASING.

MARCH 31, 2000



## LOCAL EMPLOYMENT SUMMARY

### DAKOTA DUNES, GATEWAY BUSINESS PARK & NORTH SIOUX CITY

#### MAJOR EMPLOYER

#### EMPLOYEES ON SITE

#### DAKOTA DUNES

1,425

IBP	650
1ST FINANCIAL BANK OF SD	179
MEDICAL CLINICS	139
DAKOTA DUNES COUNTRY CLUB	100
SIOUXLAND SURGERY CENTER	54
BPI TECHNOLOGIES	65
OTHERS	238

#### GATEWAY BUSINESS PARK

4,826

GATEWAY	4,500
ENVIRO SAFE AIR	90
OMAHALINE HYDRAULICS	86
THE IAMS COMPANY	50
WEGHER, PETERSEN, SCHULTZEN	50
OTHERS	50

#### REMAINDER OF NORTH SIOUX CITY

1,515

INTERBAKE FOODS	500
FIMCO	62
OTHERS	953

#### GRAND TOTAL

7,766

JUNE 2000



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1106  
1107

DAKOTA DUNES OPEN



PRESENTED BY



Gateway

# Dakota Dunes Open 2000

## Spike McRoy Laps Field Featuring Five Past Champions

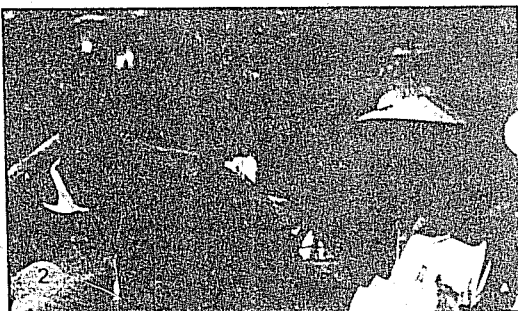
Golf is a tickle game. Five previous winners of the Dakota Dunes Open played in this year's edition and three missed the cut and the other two finished tied for 31st place.

Hallelujah, 90,000 big ones: Spike McRoy pocketed \$90,000, the largest prize in the 11-year history of the tour, at the 2000 BUY.COM Dakota Dunes Open presented by Gateway.

DAKOTA DUNES DEVELOPMENT COMPANY

DakotaDunes.com





**Participants in this year's Junior Pro-Am included local residents:**

(1) Saied & Chi Chi Zangenehpour, daughter Marli, and son Heshum;

(2) Hal & Darlene McSparran and granddaughter Tiffany;

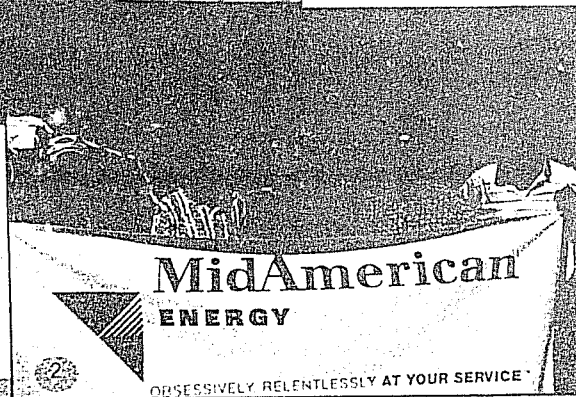
(3) Holly Dannen; (4) Dave Curry and daughter Renee; and

(5) (Fr) Brady, Sam, Abby, and Kelly Kohout, 1994 champ Pat Bates, and Lynn, Matthew, and Tim Bindner.



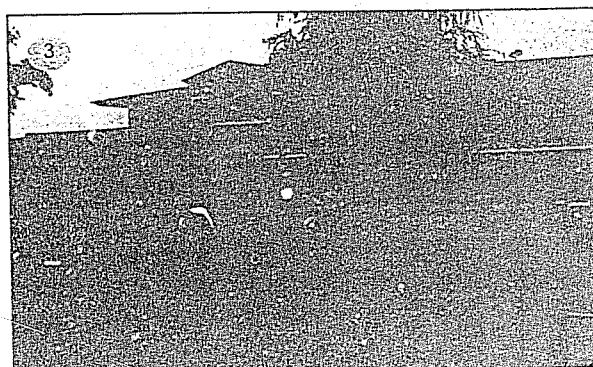


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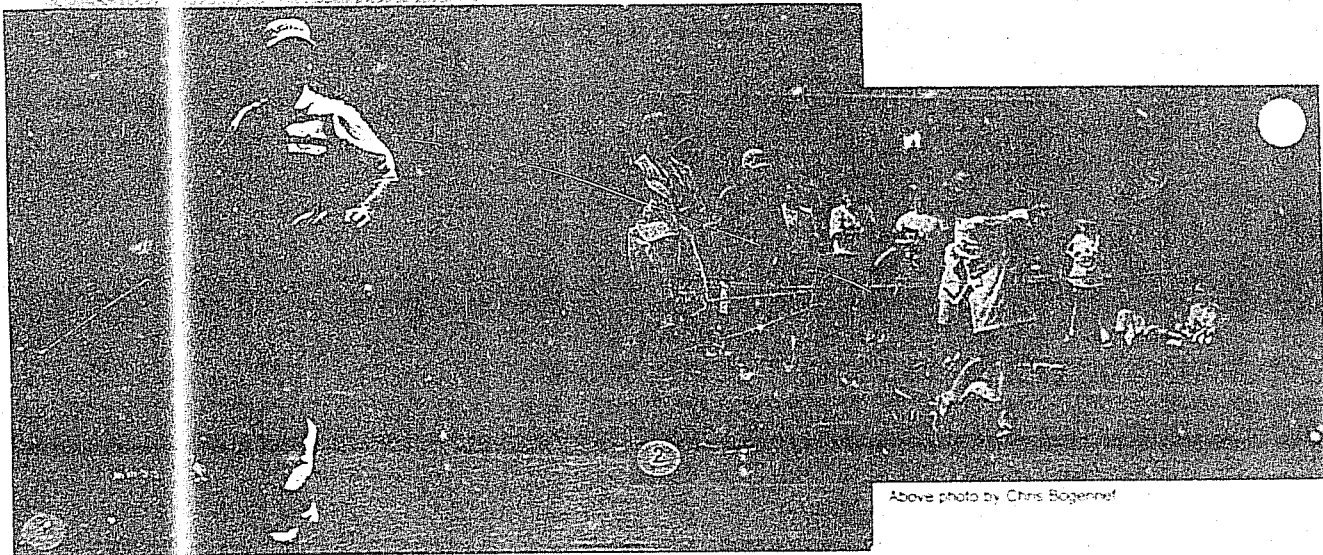
**Snapshots from the Dakota Dunes BUY.COM:**

(1) Fans in the skyboxes received an up close and personal view of the action on the 18th green; (2) Don Dunham, Jr.'s fearless foursome, with professional Tom Kalinowski (center) at Wednesday's MidAmerican Energy Pro-Am; (3) Monday's qualifier at Two Rivers Golf Course was staged in the shadow of Dakota Dunes' corporate campus; and (4) tour rookie Brad Ball exhibits the focus that carried him to his biggest payday ever, \$7,750.





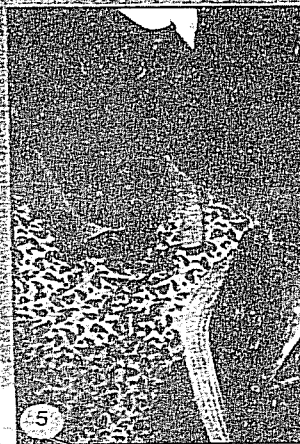
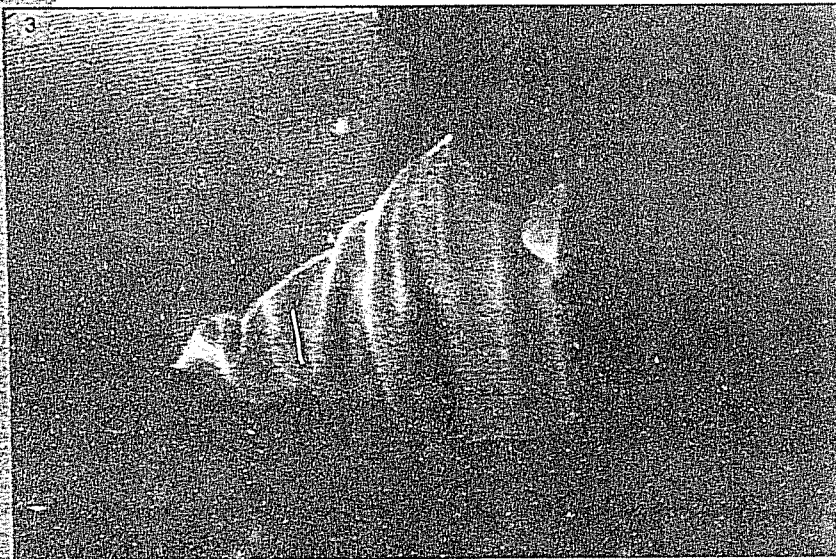
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Above photo by Chris Bogennet

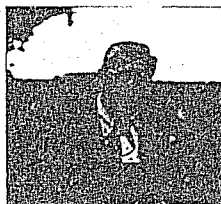
# Another successful year at the Dakota Dunes Open.

(1) Giddap!; (2) another family-friendly event, the Drive, Chip, & Putt contest, attracted many area children; (3) local favorite Mike Schuchart, who lives in Lincoln, Nebraska, one day will tell his boy that d\_d won a career-best \$54,000 for his second place finish at Dakota Dunes; (4) John O'Hurley, a.k.a. J. Peterman of Seinfeld fame, is flanked by (l-r) Robin Ferrara, Russ Christiansen, and Chris Bogennet during the Pro-Am; and Spike McRoy with (5) his BUY.COM trophy and (6) his trusted caddy.



Design and all photos unless indicated  
by Michael Crowley

## VISIONARY HONORED



"Russ is a tireless believer in the economic possibilities of this part of South Dakota and Iowa we call Siouxland. Dakota Dunes and Gateway Business Park are part of the legacy of Russ Christiansen. He is a dreamer, a builder, and a visionary. The reality of his dreams will be here 100 years from now. He really made a difference."

William F. Janklow,  
Governor, South Dakota



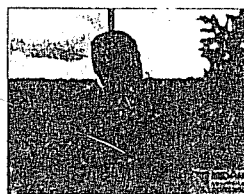
"That we dedicate this bridge between Iowa and South Dakota in his honor is most significant because Russ was literally a bridge builder himself, helping build bridges of communications and understanding across state lines of this tri-state area to achieve a feat that many thought impossible just a decade ago."

Cy W. Chesterman, Chairman, The Siouxland Initiative III.



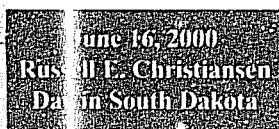
"The first mistake I could make is to believe everything you've said here today."

Russell E. Christiansen,  
former Chairman & CEO,  
MidAmerican Energy Company.

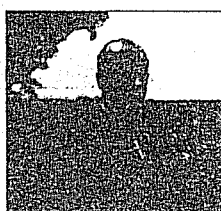


"Where there was blowing sand, restless cottonwoods and fallow farm fields, he saw quality of life. Now Dakota Dunes is a harmonious blend of the right things carved out of what nature had provided. He saw to it that Dakota Dunes was done first class. Russ, you have built a city. I am fairly confident in saying that IBP would not be a part of the Dakota Dunes development if not for the work and friendship of Russ Christiansen."

Robert L. Peterson,  
Chairman & CEO, IBP, Inc.



June 16, 2000  
Russell E. Christiansen  
Dakota Dunes, South Dakota



"It is appropriate that Russ' achievements are being highlighted under the banner of 'Siouxland Visionary'. That title very aptly describes his contributions to economic development efforts in the Siouxland region. In addition, 'Visionary' is an accurate description of Russ' leadership of MidAmerican Energy."

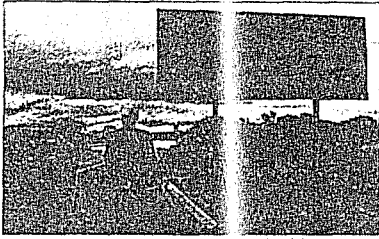
David L. Sokol, Chairman & CEO,  
MidAmerican Energy Holdings Company.

## South Dakota/Iowa Bridge Dedicated To Russell E. Christiansen

Russell E. Christiansen, founder of Dakota Dunes and Gateway Business Park and a founding father of the Siouxland regionalism concept, was honored June 16, 2000, as no other South Dakotan had been before him - an Interstate bridge was dedicated in his honor. The former MidAmerican Energy Company chairman's many accomplishments were celebrated during an accolade-laden ceremony with the Russell E. Christiansen Interstate 29 Bridge over the Big Sioux River connecting South Dakota and Iowa as a backdrop. Over 400 friends and family attended the event hosted by South Dakota Governor William F. Janklow, who shared the dais with Robert L. Peterson, Chairman & CEO, IBP, Inc., David L. Sokol, Chairman & CEO, MidAmerican Energy Holdings Company, and Cy W. Chesterman, Chairman, The Siouxland Initiative III. The bridge-naming idea came from Governor Janklow, who believed it was an appropriate way to recognize Christiansen's many contributions to South Dakota and the entire Siouxland region.



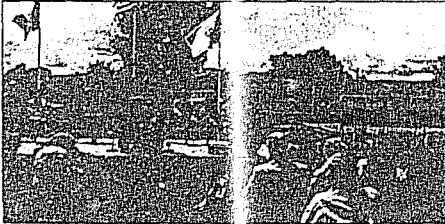
# FATHER OF DAKOTA DUNES CELEBRATED



Prior to the ceremonies, Russ Christiansen is joined by his family and Governor Janklow as he unveils the sign in front of the Interstate 29 bridge over the Big Sioux River connecting South Dakota and Iowa. "This bridge is a perfect symbol to honor Russ Christiansen because he has contributed tremendously in bridging the two states and opening roads of opportunity for increased economic development in Siouxland," Janklow said.



With Russ and Marilyn Christiansen looking on, Governor William F. Janklow reads a proclamation he signed declaring Friday, June 16, 2000, Russell L. Christiansen Day in South Dakota. "A lot of people make noise. A lot of us get attention. You made a difference. We don't just like you, Russ, we really love you," Janklow said.



The event was held at the South Dakota border on the eastern side of the Russell E. Christiansen Bridge where Russ said, "I can't think of a more fitting place to be than right here within sight of all of my life's memories."

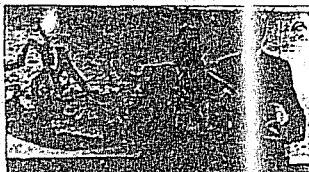


Dignitaries, friends, and family from throughout Siouxland and beyond came to honor Russ.

An acrylic painting entitled "Siouxland Visionary" by artists Mick McGinty and Darren Maurer, was presented to Russ by David L. Sokol, Chairman & CEO, MidAmerican Energy Holdings Company.



Humble and humorous, Russ Christiansen gets a laugh out of the crowd and speakers Robert L. Peterson, Chairman & CEO, IBP, Inc., Cy W. Chesterman, Chairman, The Siouxland Initiative III, and Gregory E. Abel, President, MidAmerican Energy Holdings Company.



"Congratulations on the newly named I-29 'Russell E. Christiansen Bridge.' A wonderful and truly fitting tribute and name to the man who connected Dakota Dunes with South Dakota and Iowa. All of us at Palmer Course Design Company are extremely proud to have been a small part in the development of Dakota Dunes and to have worked with you and your team from its beginning. Another strong and great bridge in your career and life." Excerpt from 6/14/00 letter to Russ from Arnold Palmer, who appear in 3/27/89 photo during Palmer's first visit to Dakota Dunes.

## The Man So Honored: Russell E. Christiansen

Russell E. Christiansen, who was born in Jefferson, South Dakota, in 1935 and grew up in North Sioux City, South Dakota, is a South Dakota State University industrial engineering graduate and U.S. Army veteran. He joined the Sioux City-based Iowa Public Service (IPS) in 1959, became plant engineer at nearby George Neal Station four years later, and rose quickly through the ranks to become president of the company in 1984. Two years later, Christiansen was named Chairman and CEO of the company which was renamed Midwest Energy Company and later known as MidAmerican Energy Company.

During his tenure, Christiansen's vision and leadership led to the development of two major economic development projects: Gateway Business Park in North Sioux City, home to dozens of diverse businesses employing more than 4,500 people, including the flagship plant for Fortune 203's Gateway computer company; and Dakota Dunes, a 2,000-acre master-planned community with 1,800 residents and 75 businesses employing over 1,500 people. Dakota Dunes is also home for the world headquarters of IBP, Inc., a Fortune 100 company and world's largest meat processor.

Christiansen was also a major force in the regionalism concept to unite the tri-state sister cities of North Sioux City, South Dakota, Sioux City, Iowa, and South Sioux City, Nebraska, to stimulate economic development and quality of life. The vehicle for that transformation was The Siouxland Initiative, which came into being in 1989 after he co-chaired the first Campaign Development Council to raise operating capital. Since that initial effort, there have been two other successful campaigns that have resulted in Initiatives II and III. In the last 11 years, Siouxland has witnessed numerous business expansions, new businesses attracted here, millions spent on capital investment, and thousands of jobs created.

Christiansen, who retired in 1996, and his wife of 44 years, Marilyn, reside at Dakota Dunes. They have four children, Lori Ann, Lynn Marie, Lisa Kay, and Rusty, and six grandchildren.



# Multi-specialty medical practice will build new facility in Dunes

By Lynn Zerschling  
Journal staff writer

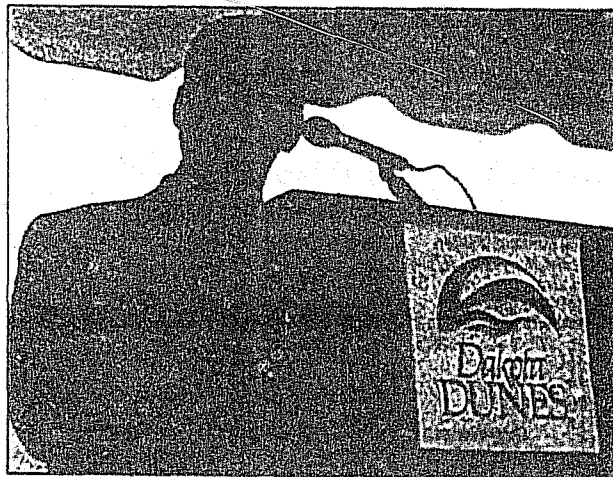
DAKOTA DUNES — When a new medical office opens in Dakota Dunes next April, it will bring three separate offices together allowing the specialists to provide comprehensive care under one roof.

Plans for that building were announced Wednesday afternoon when physicians and staff with the Center for Neurosciences, Orthopaedics & Spine P.C. (CNOS) broke ground for a \$5 million building.

The medical office will be located at 575 Sioux Point Road, across the street from the Siouxland Surgery Center.

The 14 doctors in CNOS formerly practiced with two separate orthopedic surgeon groups and the neurology/neurosurgery group. The three practices merged in January 1993 and have continued to practice at three offices in Siouxland.

"This will greatly maximize our efficiency and considerably enhance the orthopedic, neurology, neurosurgery and physical therapy we provide our patients," Dr. Barry Purves, a neurosurgeon and president



Dr. Ralph Reeder, a neurosurgeon, speaks about plans to build the Center for Neurosciences, Orthopaedics & Spine P.C. at Dakota Dunes. The facility will bring specialists from three offices together. (Staff photo by Angela Tague)

of the group, said.

"The new facility also will allow CNOS to be a one-stop shop for patients being treated by one or more of our medical specialists or undergoing

physical therapy," Purves said.

Neurosurgeon Ralph Reeder said

**SEE BUILDING**

**continued on page A3**

## Building will sit on 7½ acres

from page one

the state-of-the-art building should help recruit and retain specialists to Siouxland.

The building will be located on a 7½-acre site and contain 44,500 square feet. Project manager Douglas Flurry said the two-story building has been designed to complement other medical offices in Dakota Dunes.

It is designed to promote the delivery of specialty medical services," said Flurry, with Marshall Erdman & Associates of Madison, Wis., an architectural, engineering and construction firm.

The spacious reception area will seat 100 patients. Enough land is available to provide parking for people from the tri-state area to see the specialists.

Purves explained that the group looked at potential building sites in Sioux City before deciding to go to Dakota Dunes.

The sites in Sioux City "were more expensive, more difficult to build on and more difficult for patients to get to," he said. "This site is extremely easy for people to find and it's flat."

He also cited South Dakota's favorable business climate.

Neurologist James Case added that one-third of CNOS' patients live in Sioux City. The remaining two-thirds live in the tri-state area, with some

people driving more than 200 miles to see one of the physicians.

Not only will the Dunes site, with its proximity to Interstate 29 make it more convenient for many of their patients to find, Case said the equipment and services will enable most patients to receive comprehensive services on one visit.

CNOS plans to have its own MRI, ultrasound equipment, physical therapy center, sports medicine center and EMG for neuromuscular diagnoses.

"Often patients we see require diagnoses from more than one specialist," orthopedic surgeon Stephen Noel said. "Whether it's neck problems, back problems or spine problems, we can consult with one another to assist the patient."

The new facility will feature a conference and education center for training in spinal surgery for use by surgeons from around the country.

CNOS is the only multi-specialty practice of its kind in the Midwest, neurosurgeon Quentin Durward said.

While being able to provide an array of services, Purves said the physicians do not plan to do major procedures at the Dunes.

"Both hospitals always will be an important part of our practice," he said of Mercy Medical Center — Sioux City and St. Luke's Regional Medical Center.

Operations and procedures also can be performed at the Siouxland Surgery Center across the road, which is being done now in some

## From media fan to owner

Norm Waitt, Jr. turns passion for music, movies into growing entertainment business

By Bob Lawrence

**N**orm Waitt, Jr. loves radio, movies, and music - always has - since he was a child growing up in his hometown, Sioux City.

In the last three years, he's parlayed that passion into a growing entertainment and media business that includes movies, records, radio and TV stations, the Internet, and outdoor advertising.

The enterprises owned by Waitt, co-founder of Gateway and the first resident of Dakota Dunes, include Waitt Media, which has three divisions: Waitt Radio, comprised of 36 radio stations; Waitt Broadcasting with five TV stations, and Waitt Outdoor, an outdoor advertising business with over 650 billboard signs; Gold Circle Interactive which provides Web-based solutions to businesses; Gold Circle Films, a film production company; and Gold Circle Entertainment, which has four record labels.

All are based in Beverly Hills and Santa Monica, Calif., with the exception of Omaha-based Waitt Media.

### Movie and music fan

"I started with radio because I'm a music fan and wanted to see radio do it better than it has done, not so repetitive in format, but more listener-friendly," Waitt says. "But film and recorded music are more personal and one of my long-time interests. Because I'm a movie and music fan, it's more of a personal fit."

Waitt's first venture into recorded music was in 1997 with the establishment of Samson Records, Gold Circle's first record label, revolving around a small group of musicians, songwriters, and music industry professionals whose goal is to present the very best in adult contemporary music. It debuted with CPR, a group organized by David Crosby of Crosby, Stills and Nash fame. In addition, popular jazz standouts Michael Lington, Doc Powell, Jeff Lorber, and Jango are also on the label.

The latest release from Samson is "No Static At All," an instrumental tribute to Steely Dan, the first in a series of scheduled releases showcasing great songs of the contemporary music landscape performed by noted jazz musicians.

"The Gold Circle music group manifests our desire to build a music company that fosters creativity and provides a stimulating environment for artists," Waitt says, adding that the Samson label has "blossomed into a growing contender in adult contemporary music."

### Music technology

In explaining the rationale behind getting into the music business, Waitt says that "advances in music technology and the proliferation of music on the Web have created an opportunity for artists of all genres to find an audience and for adults to find music of interest, away from the clamor of dominant, pop music. Samson is now striving to be a leading source in serving those who are seeking great jazz of a softer nature."

In launching Samson Records three years ago, Waitt started with a single employee, Michael Delich, now president and chief operating officer of Waitt Media. A seasoned record company executive, Delich was vice president of sales and marketing for Omaha-based American Gramophone Records, the Grammy-winning label behind Mannheim Steamroller.

"I started right here in a small office," says Delich during a tour of Waitt Media at 13906 Gold Circle in Omaha. In the three years, since then, the company has expanded into a suite of offices on the second floor of the building where more than 40 employees work Nationwide and internationally. Waitt's enterprises employ more than 800 people, up from just 100 in January 1999.

"In starting the Gold Circle music group, we hired an A&R (artist and repertoire), who finds the artists and generates repertoire, then we got a distributor and started making records," Delich says.

After that, Waitt purchased Polygram's interest in Telika Records, a 10-year-old international label with artists from around the world performing ethnic music. Featured artists include Emer Kenny, Krishna Das, Via Jo, Taiku, and Charlie Bravo.

### Soundtracks albums

The label aligned with Waitt's affection for the movies is Chapter III Records established in June 1998 with the targeted objective of releasing quality soundtrack albums from film and television. It was co-founded with Randy Gerson, a film music supervisor with credits including soundtracks for "Titanic," "The Mod Squad," "The Opposite of Sex," "True Lies," and "Strange Days."

Among the soundtracks out on Chapter III are "Tomorrow Never Dies," "Josh's Blair Witch Mix from The Blair Witch Project," "Smm," "The Avengers," and "Arms of Strangers."

Chapter III Records recently secured a deal with Rhino Records and MGM/Turner Classic Movies to produce a series of re-issued classic soundtrack albums, with initial classics recording ranging from "The Dirty Dozen" to "Logan's Run."

In August the label released the original soundtrack from "Michael Jordan To The Max," a new giant screen IMAX movie highlighting Jordan's basketball career and featuring artists ranging from Earth Wind and Fire to The Bigways.

There's also a new label, Brick Red Records, a rock and alternative rock label that will debut with releases of its first signed artists, Muth & Scissor, and Spirit, early next year. This label is operated by Gerson.

"Norm wants quality music that will stand the test of time, and that's the tone he's set," says Waitt. Media Vice Chairman Steven Selene, who joined the company at about the same time Waitt and Delich were launching the record companies.

"I was charged with helping Norm diversify his portfolio, which comprises all of his businesses," says Selene, who was formerly an attorney with one of Omaha's largest law firms and Waitt's lawyer since 1993.

### Radio station acquisitions

As a result of that diversification, Waitt's other entertainment and media enterprises were started.

The radio division began with the purchase in 1998 of a radio station in Plattsmouth, Neb. Since then, there's been rapid growth through acquisitions as 35 more stations, mostly in the Midwest, came under the Waitt Radio umbrella.

Most of the stations are in small markets where local radio is the dominant medium as a result of limited TV and news paper coverage, according to Selene.

"Because radio is the best medium available in the communities, we offer a huge advantage to advertisers," he says, adding that "Local, local, local is our motto and we have our people well-focused on the community." He says that the biggest revenue producer in most of the markets is local sports.

Delich says the speed in which the stations have been acquired resulted from the "excellent reputation" Waitt Broadcasting has developed with other radio groups and the Federal Communications Commission, which licenses broadcasting stations.

"That makes deals easier as we go because they know how we treat employees and that we have a good benefits package." He adds that Waitt is "investing more for the long term, which means that we come in with a holistic approach to each station and invest in the physical plant. We don't acquire stations just to flip them several months later like some companies do."

The company has also engaged employees locally and nationally, according to Delich, because Norm has installed the Malcolm X motto, work hard and be rewarded. That's his philosophy and message to the employees. Waitt also uses a progressive partnership approach with company managers.

Despite the proliferation of other media, radio is a growth industry, growing about 12 percent in advertising revenues per year, Selene says. Radio has survived and prospered because programming is demographically defined, so you can set up programming to appeal to particular demographics, allowing you to go to advertisers and get specific in reaching the particular demographics they're after," he says.

### Interactive radio

On the horizon is the integration of radio with the Internet, whereby in the near future listeners will be able to tune in their favorite radio station, no matter where they are, through a station's Website. A project in the works by Gold Circle Interactive, in conjunction with Waitt's radio stations, is already available in some markets.

According to Delich, plans also call for listeners to be able to buy records they hear on the air and chat with on-air talent via the Internet.

Gold Circle Interactive is also an Internet provider offering web solutions and maintenance to businesses.

On the TV side, Waitt Broadcasting operates stations in Panama City, Fla., Dothan, Ala., Albany, Ga., and Ottumwa, Iowa, and Sioux City, home of KMEG.

In late August, KMEG moved into a new, fully digital state-of-the-art broadcasting center at Dakota Dunes. The company's Star 102.3 radio station (KJZR) also has its broadcast studios in the same building. The move represents a major upgrade for KMEG, which boosted its transmitting power to four million watts and built a new tower at Hinton last summer. As a result, an estimated 100,000 additional viewers are now able to receive the station, the local CBS affiliate.

### Broadcast news revival

In acquiring the station in 1995, Waitt moved quickly to invest in a news division for KMEG after an absence of broadcast news for over a dozen years under the previous ownership. Since among its first news broadcasts last summer, "We have improved in the ratings and will continue to improve," Delich says.

In addition to the four news KMEG broadcasts on Dakota Dunes, Waitt's company owns and plans to develop eight additional commercial stations in the area. The three paper, Dave Klutts would, a developmental consultant and owner of the local Fargo, Brookings Company of Omaha, handles KMEG as the anchor for the 12.3 news community, one that is expected to be an important part of Dakota Dunes growth.

Although some have seen opportunities in being involved with growing the radio division, Selene, noting that having a large group of stations gives Waitt Radio the power to offer large advertisers more markets. "And as we add to those markets, we add value for the advertisers," he says.

Selene says that "Norm personally favors radio because it's closer to his original vision, which is his love of music. So, we've been very happy with the acquisitions of stations we've made and will continue to make."

In addition to Waitt Media's emphasis on radio, the company is also strongly focused on growing its outdoor advertising business, which has over 650 billboards, primarily in the Midwest. Nearly half of those are located in Northwest Iowa.

"It's a good business and works well where we have broadcast stations because our radio salespeople sell the outdoor advertising to their radio clients," says Selene.

"This is an era when many are vying for attention, such as the Internet and TV, but billboards are a low-tech component people always see when driving, so it's a good investment," Delich adds.

What will eventually become the most visible side of Waitt's enterprises are the movie and television films produced by Gold Circle Films, which currently has several cinematic productions in the works. "Company President Dave Krummenacher has helped to distribute and get attention for this new venture in the industry," Waitt says.

### Music documentary

The first project, Stand And Be Counted, premiered Aug. 21 on The Learning Channel. The four-hour documentary focused on how musicians since the early 1950s have used their talents to gain world attention and spur social change.

A project of David Crosby co-producer, the film features concert footage and in-depth interviews with many world renowned artists, including Ray Charles, Elton John, Joan Baez, U2, Phil Collins, Willie Nelson, and Sting. Waitt, who served as executive producer,

# Norm. Waitt

continued from page 1

designated all proceeds from the film to UNICEF and presented the organization with an additional \$200,000 donation from his Kind World Foundation during ceremonies at the United Nations in mid-August.

UNICEF will also receive all profits if Stand And Be Counted is released on DVD and if the soundtrack is recorded on Chapter III records, Waitt says.

The company is establishing itself in the feature films business as well.

## Theatrical releases

Films include "Double Whammy," a suspense comedy starring Dennis Leary and Elizabeth Hurley, now being edited for theatrical release next year; Wishcraft, a teen horror movie starring Alexandra Holden and

Michael Weston, now in production; and My Big Fat Greek Wedding, being co-produced with Tom Hanks, currently in production. Two other films, Dawg, being co-produced with Stephen Cannell, and Rat In The Car, are now being cast.

"It's an aggressive production slate," says Kronemyer, adding that "we also have other projects in development." Kronemyer, a 20 year movie veteran with deep relationships in the film industry, says Gold Circle was able to launch and quickly develop projects because "Norm has great credibility and a good financial strategy for the movies."

"What makes us different in this town is that we don't just talk, we're making things happen in a fiercely competitive environment," he says.

Of the films, Waitt says, "It's not the huge budget stuff one tends to think of, but it's definitely high quality enough for national distribution." Regarding his approach to the film industry, Waitt says, "We're starting conservatively in the business and will see where we can go. Already, we're generating solid interest."

Although Waitt says he's not involved in the day-to-day operation of his various enterprises, he's in regular contact with

Delich, Seline, Kronemyer, and the label presidents, and is "very cognizant of what the businesses are doing on a day-to-day basis," says Delich.

Seline adds that "Norm is being modest when he says he's not overly involved, he's great about giving credit to those who work for him."

Bob Lawrence is a free-lance writer based in Mc Cook Lake, S.D.



Norm Waitt, Jr. speaks at a ground-breaking ceremony in September 1999 for KMEG-TV's new studios in Dakota Dunes. Last month the CBS affiliate moved into its state-of-the-art center. Waitt, a Gold Circle co-founder, now owns a media company whose holdings include KMEG, four other TV stations, and 50 radio stations. (Journal file photo) Waitt, above, gathers with members of CPR, a contemporary music group signed with Samson Records, a label started by Waitt's Gold Circle Entertainment. CPR features David Crosby of Crosby, Stills and Nash fame. From left is Crosby's son, James Raymond, a CPR keyboardist and vocalist; Waitt; Crosby; Mike Delich, president and CEO of Waitt Media; and Jeff Pever, CPR guitarist. (Photo courtesy of Waitt Media)

"Norm wants quality music that will stand the test of time, and that's the tone he's set."

Steven Smith  
Waitt Media vice chairman



Waitt Media, owned by Norm Waitt, Jr. of Dakota Dunes, consists of three divisions.

**Waitt Broadcasting:** Owns five broadcast television stations in Alabama, Georgia, Florida and Iowa,

including KMEG, the CBS affiliate in Sioux City.

**Waitt Radio:** Owns 56 radio stations, mostly in the Midwest. In Siouxland, the stations include KZSR, Sioux City; KUOO and KUOO, Spirit Lake-Milford, Iowa; KAYL, Storm Lake, Iowa; KSOU and KIMK, Sioux Center-Rock Rapids, Iowa; KTCH, Wayne, Neb.; and KYNT and KKYA, Yankton, S.D.

**Waitt Outdoor:** Owns 650 billboards and outdoor advertising signs, nearly half of which are in Northwest Iowa.



Gold Circle Entertainment, owned by Norm Waitt, Jr. of Dakota Dunes, consists of four record labels.

**Samson Records:** The group's first label, it debuted with CPR, a contemporary group featuring David Crosby of Crosby, Stills and Nash fame.

**Triloka Records:** An international label, it features artists from around the world.

**Chapter III Records:** Releases soundtracks for films and television.

**Brick Red Records:** The group's newest label, it focuses on alternative rock.



MIDAMERICAN ENERGY COMPANY  
SOUTH DAKOTA  
2001 ECONOMIC DEVELOPMENT  
PROPOSED BUDGET

Development Group Support

Forward Sioux Falls .....	\$12,000
Yankton Area Progressive Growth .....	3,000
Siouxland Initiative .....	1,500
Vermillion Development Co. ....	1,000
Sioux Falls Development Foundation .....	850
Minnehaha County Economic Development Association (MCEDA) .....	3,500
(Includes community development support for: Baltic, Brandon, Colton, Dell Rapids and Hartford)	
Lincoln County Economic Development Association (LCEDA) .....	3,500
(Includes community development support for: Beresford, Canton, Harrisburg, Lennox, Tea and Worthing)	

Individual Community Development Support:

Alcester Development Corp .....	\$200
Centerville Development Corp .....	200
Elk Point Gold Program .....	200
Flandreau Improvement Corp .....	200
Jefferson Development Corp .....	200
Montrose Development Corp .....	200
North Sioux City Development Corp .....	200
Salem Development Corp .....	200

Program Subtotal ..... 1,600

Economic Assistance Programs

Intended for value-added economic development projects  
that provide job creation, capital investment and economic  
benefit to communities within our service territory ..... 1,500

Business Attraction Incentives

Allocation of costs for business attractions on behalf of  
South Dakota communities within our service territory ..... 6,550

**TOTAL 2001 PROPOSED BUDGET FOR SDPUC APPROVAL** \$35,000

**South Dakota Public Utilities Commission**  
**WEEKLY FILINGS**  
**For the Period of January 4, 2001 through January 10, 2001**

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact  
Delaine Kolbo within five business days of this filing. Phone: 605-773-3705 Fax: 605-773-3809

**CONSUMER COMPLAINTS**

**CT01-002      In the Matter of the Complaint filed by Robert E. Ellis, Florence, South Dakota,  
against OLS, Inc. Regarding Unauthorized Switching of Services.**

The complainant alleges that his long distance phone provider was switched without his knowledge or authorization and that he was without a long distance carrier for five days. The complainant requests that OLS be fined and the phone bill paid to AT&T for calls billed by OLS.

Staff Analyst: Charlene Lund  
Staff Attorney: Kelly Frazier  
Date Docketed: 01/04/01  
Intervention Deadline: N/A

**ELECTRIC**

**EL01-001      In the Matter of the Application of Black Hills Power, Inc. Requesting Authority to  
Incur Short-Term Debt.**

On January 4, 2001, Black Hills Power, Inc. filed an application requesting authority to incur short-term debt. South Dakota law at SDCL 49-34A-30 prohibits a public utility from incurring short-term indebtedness of more than 5 percent of the par value of other securities of the public utility then outstanding. In an Order from the Commission in Docket EL94-006, Black Hills Corporation (the predecessor-in-interest of Black Hills Power, Inc.) was relieved of the statutory limits of SDCL 49-34A-30, and was authorized to incur short-term debt of a total aggregate amount not to exceed 30% of its total capitalization. Due to corporate restructuring, any advances made under credit facilities that are currently in place could cause Black Hills Power, Inc. to exceed the short-term debt limitations placed upon it in EL94-006. Prior to August 31, 2001, Black Hills Corporation anticipates putting in place new credit facilities at the holding company level which will relieve Black Hills Power, Inc. from any obligation it has upon the creation of new credit facilities. Black Hills Power, Inc. is seeking an Order approving and authorizing 1) that Black Hills Power, Inc., is released and relieved of any statutory obligations under SDCL 49-34A-30; 2) that Black Hills Power, Inc. is relieved of the short-term indebtedness limitations set forth in Docket EL94-006 concerning the Order authorizing the incurrence of short-term debt; and 3) that Black Hills Power, Inc. shall not be subject to any short-term debt limitations prior to September 2, 2001, and as of that date, shall then be obligated to a short-term indebtedness obligation of not more than 30% of Black Hills Power, Inc.'s total capitalization, which is its equity and long-term indebtedness.

Staff Analyst: Heather Forney  
Staff Attorney: Karen Cremer  
Date Docketed: 01/04/01  
Intervention Deadline: 01/26/01

**EL01-002** In the Matter of the Filing by MidAmerican Energy Company for Approval of Tariff Revisions.

Application by MidAmerican Energy to revise its bill form to reduce administrative cost and clarify certain language.

Staff Analyst: Dave Jacobson  
Staff Attorney: Karen Cremer  
Date Docketed: 01/10/01  
Intervention Deadline: N/A

#### NATURAL GAS

**NG01-001** In the Matter of the Filing by MidAmerican Energy Company for Approval of its 2000 Economic Development Report and its 2001 Economic Development Plan.

On January 4, 2001, the Commission received a filing from MidAmerican Energy Company pursuant to Docket NG95-019 requesting: (1) approval of its 2000 economic development report, and (2) approval of its 2001 economic development budget.

Staff Analyst: Heather Forney  
Staff Attorney: Kelly Frazier  
Date Docketed: 01/04/01  
Intervention Deadline: 01/26/01

**NG01-002** In the Matter of the Filing by MidAmerican Energy Company for Approval of Tariff Revisions.

Application by MidAmerican Energy to revise its bill form to reduce administrative cost and clarify certain language.

Staff Analyst: Dave Jacobson  
Staff Attorney: Karen Cremer  
Date Docketed: 01/10/01  
Intervention Deadline: N/A

#### TELECOMMUNICATIONS

**TC01-002** In the Matter of the Application of Toledo Area Telecommunications Services, Inc. d/b/a Buckeye TeleSystem for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.

Toledo Area Telecommunications Services, Inc. d/b/a Buckeye TeleSystem is seeking a Certificate of Authority to provide intrastate interexchange telecommunication services in South Dakota. The applicant intends to provide outbound direct dial, inbound toll free, travel card, frame relay, and alternative operator assisted service.

Staff Analyst: Keith Senger  
Staff Attorney: Kelly Frazier  
Date Docketed: 01/08/01  
Intervention Deadline: 01/26/01



**TC01-003      In the Matter of the Filing for Approval of a Fourth Amendment to an  
Interconnection Agreement between Qwest Corporation and Sprint  
Communications Company L.P.**

An amendment No. 4 to the Interconnection Agreement between Qwest Corporation (Qwest) and Sprint Communications Company, L.P. (Sprint) was filed with the Commission for the states of Idaho, Iowa, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah and Wyoming for approval by the Commission. The agreement is a negotiated agreement with the parties adopting the negotiated interconnection agreement between Sprint and Qwest which was approved by the Commission effective November 21, 1997 in Docket No. TC97-149. The Amendment adds terms and conditions for the LIS Inter Local Calling Area (LCA) Facility. Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than January 30, 2001. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly D. Frazier  
Date Docketed: 01/10/01  
Initial Comments Due: 01/30/01

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**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE FILING BY )	ORDER APPROVING 2000
MIDAMERICAN ENERGY COMPANY FOR )	ECONOMIC DEVELOPMENT
APPROVAL OF ITS 2000 ECONOMIC )	REPORT AND 2001
DEVELOPMENT REPORT AND ITS 2001 )	ECONOMIC DEVELOPMENT
ECONOMIC DEVELOPMENT PLAN )	PLAN
)	NG01-001

On January 4, 2001, the Public Utilities Commission (Commission) received MidAmerican Energy Company's (MidAmerican) 2000 Economic Development Annual Report and proposed Economic Development Plan for 2001. The proposed plan was filed in accordance with Docket NG98-014 which continues the requirements set forth in Docket NG95-006. On January 16, 2001, Commission Staff requested the company file additional data in regard to this matter which the company did.

For 2001, MidAmerican's proposed economic development investment budget is \$35,000. The actual expenditures for the 2000 Economic Development Plan were \$37,068.

At its regularly scheduled March 6, 2001, meeting, the Commission reviewed MidAmerican's 2000 Economic Development Report and Economic Development Plan for 2001. The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-34A, specifically, SDCL 49-34A-4 and 49-34A-6. After review of the report and plan, the Commission found that they are just and reasonable and voted to approve them. It is therefore:

ORDERED, that MidAmerican's 2000 Economic Development Report and Economic Development Plan for 2001 are approved as filed.

Dated at Pierre, South Dakota, this 9th day of March, 2001.

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By: *Helaine Kelbo*

Date: 3/12/01

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

*James A. Burg*  
JAMES A. BURG, Chairman

*Pam Nelson*  
PAM NELSON, Commissioner